

KENTUCKY-AMERICAN WATER
COMPANY

PSC KY NO. 6

COVER SHEET AND ORIGINAL SHEETS:

Nos. 1, 2, 3.1, 5 through 19, 20.1, 21, 24.1, 26, 29
through 49, 49.4, 51, 52.1, 54, 58, 59, 61, 62, 63, 64,
64a, 66, 67, 68, and 69;

First Revised Sheet Nos. 4, 24, 25, 28, 49.1, 49.2,
49.3, 56, 57, 60 and 65;

Second Revised Sheet Nos. 22, 23, 27, and 55;

Fourth Revised Sheet Nos. 28.1 and 28.2

Fifth Revised Sheet No. 20; 55.1

Seventh Revised Sheet No. 3;

Eighteenth Revised Sheet No. 53;

Twentieth Revised Sheet No. 52;

Twenty-Fourth Revised Sheet No. 50

KENTUCKY-AMERICAN WATER COMPANY

OF

2300 RICHMOND ROAD, LEXINGTON, KENTUCKY

AT

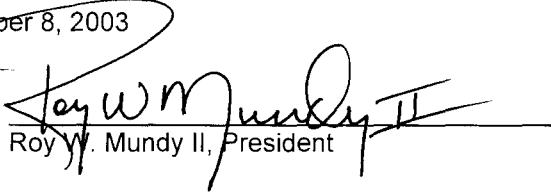
CITY OF LEXINGTON, AND FAYETTE COUNTY, KENTUCKY AND

CONTIGUOUS TERRITORY THERETO

FILED WITH THE PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED: October 8, 2003

ISSUED BY:


Roy W. Mundy II, President

EFFECTIVE: May 9, 2001

2300 Richmond, Lexington, KY 40502

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 09 2001

PURSUANT TO RULE 10.01
SECTION 9.01

BY 
EXECUTIVE DIRECTOR

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

ISSUED: May 25, 2001

EFFECTIVE: May 9, 2001

ISSUED BY: Michael A. Miller
MICHAEL A. MILLER
VICE-PRESIDENT & TREASURER

2300 Richmond Road, Lexington, KY 40502

Address

MAY 09 2001
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: Stephan Bue
SECRETARY OF THE COMMISSION

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 01 1998

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

ISSUED: January 26, 1998

EFFECTIVE: January 1, 1998

ISSUED BY:

Coleman D. Bush
Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
Address

KENTUCKY-AMERICAN WATER COMPANY

P.S.C. Ky. No. 6

First Revised Sheet No. 4

canceling Original Sheet No. 4

TERRITORY TO WHICH RULES, REGULATIONS AND SERVICE CLASSIFICATIONS APPLY:

- (T) The Rules and Regulations and Service Classifications contained in this tariff apply in the service territory of Kentucky-American Water Company.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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JAN 01 1998

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephen D. Bell
CLERK OF THE COMMISSION

(T) To signify a change in text.

ISSUED: January 26, 1998

EFFECTIVE: May 15, 1981

ISSUED BY:

Coleman D. Bush
Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
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DEFINITIONS

1. DEFINITIONS APPLICABLE TO RULES AND REGULATIONS

- (a) "Customer" shall mean any person, firm, corporation or municipality supplied with water service by Kentucky-American Water Company pursuant to these Rules and Regulations.
- (b) "Bona fide prospective customer" shall mean any owner or lessee who is to be the occupant of an existing developed premises having a curb line abutting on that part of a street or public highway in which there is, or is to be, located a distribution main of the Company, who shall file a signed application for a new street service connection and for water service to such premises to be occupied.
- (c) "Company" shall mean the Kentucky-American Water Company acting through its officers, managers, or other duly authorized employees or agents.
- (d) "Service pipe" as referred to in these Rules and Regulations consists of the following, viz:
- (1) The corporation cock, tail piece and connection; or the corporation cock and flange connection.
 - (2) The curb cock and curb box, or coppersetter when installed in a meter box.
 - (3) The pipe between the Company main and the curb cock or coppersetter.
- (e) "Customer's service pipe" is that portion of the service line between the curb cock or meter box at or near the curb line, and the structures or premises to be supplied.
- (f) "Premises" as contemplated in these Rules, mean and include:
- (1) a building under one roof and occupied as one business or residence; or
 - (2) a combination of buildings owned or leased by one party in one common enclosure or on a single tract of land not crossed by public streets, roads, or ways, and occupied by one family or business; or

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SECTION 9 (1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

1. DEFINITIONS APPLICABLE TO RULES AND REGULATIONS (Cont'd.)

- (3) a building owned or leased by one party, having two or more apartments, offices, or suites of offices, and using one or more halls and entrances in common; or
- (4) a double house having a solid vertical partition wall or a building erected as a single family residence served through one street service connection and subsequently converted into apartments or offices or a combination of such, and where separate water supply plumbing would not be practicable; or
- (5) each residential or business single occupancy unit, served through one street service connection in a building which is not a premises otherwise defined in these Rules.
- (g) "Special Fire Connection" is one to which is attached fixtures from which water is taken only for the extinguishment of fire.
- (h) "Temporary Service Connection" is one which is installed for the temporary use of water, including service to individual mobile homes. Provided: They are located on lots having a curb line abutting on that part of a street or public highway in which there is, or is to be, located a distribution main of the Company extending for at least one-half of the frontage of the lot on said street or highway.
- (i) "Private Fire Hydrant Service Outside Lexington City Limits (Other Than for Industries, State or County Institutions)" is available to areas in advance of annexation and the assumption of responsibility for public fire hydrant charges by a unit of government in accordance with Rule 7 herein.

2. RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

- (a) The Rules and Regulations in their entirety as hereinafter set forth or as they may hereafter be altered or amended in a regular and legal manner shall govern the rendering of water service and every customer upon signing of an application for water service or upon the taking of water service will be bound thereby.

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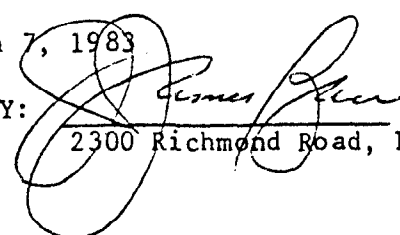
PURSUANT TO 807 KAR 5:011,
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BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:



J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

2. RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE (Cont'd.)

- (b) Except fire and special temporary services, all service will be rendered on a meter basis. Residential, commercial, industrial and municipal service is only regularly available for single premises as "premises" is defined in these Rules. Under special circumstances when the interests of other customers would not be jeopardized or prejudiced, the Company's President or a Vice President may, by writing, authorize service at regular rates to governmental or political corporations, districts, or authorities not qualifying as "premises" under these Rules.

3. APPLICATIONS FOR WATER SERVICE

- (a) All persons, firms or corporations desiring water service, must make written application at the office of the Company on printed forms provided therefor, setting forth in said application all purposes for which water can be used upon their premises.

- (b) Any change in the identity of the contracting Customer at a premises will require a new application and the Company may after reasonable notice, discontinue the water supply until such new application has been made and accepted, but the former applicant or consumer of water shall remain liable for water furnished to said premises until he has given notice in writing to the Company to discontinue the supply.

- (c) Existing Street Service Connection

When any person, firm, or corporation, not therefore, taking water service from the Company, applies for water service, the application shall be in writing on forms supplied by the Company. When such application is accepted by the Company, it shall constitute a contract between the applicant and the Company for service at the premises named in the application and at any other premises at which the named applicant may be securing service unless a separate application for service to such other premises shall have been accepted by the Company.

- (d) A Customer who has made application for water service of a premise shall be held liable for all water service furnished to such premises until such time as the Customer properly notifies the Company to discontinue the service for his account.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

3. APPLICATIONS FOR WATER SERVICE (Cont'd.)

- (e) No charge will be made for turning on the water to new Customers during regular working hours. Services turned on at request of the Customer after regular hours or on Saturdays, Sundays and holidays, however, will be billed at actual cost.
- (f) No person or persons, corporation or partnership receiving water service from the Company will be permitted to use water for any other purposes than that for which they shall have contracted to pay as shown by their application. No Customer shall resell water to others beyond premises served without written Company consent. An accepted application for water service to any premises shall constitute a license to the applicant to take and receive a supply of water for said premises but only for the uses specified in such application and the supply shall not be used except for the premises specified in the application.

4. SPECIAL APPLICATIONS FOR WATER SERVICE

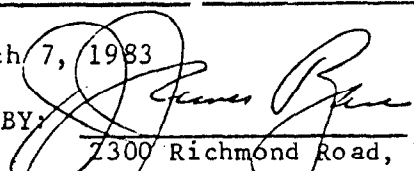
- (a) Water for building or construction purposes must be specially applied for.
- (b) Connections for private fire service must be specially applied for.
- (c) Water for transient or temporary purposes must be specially applied for.
- (d) Whenever a street service connection is made to the mains for temporary service or for private fire service, the Applicant shall bear the entire cost and expense of labor and material for tapping the main and installing and maintaining the service connection and meter.

5. WATER FOR BUILDING OR CONSTRUCTION PURPOSES

Water for building purposes will be furnished by meter measurement only and shall be subject to the meter minimum charge, and all water for building purposes, as set forth in the permit, must pass through one and the same meter. No service will be furnished until a suitable deposit has been made. The amount of the deposit will be determined by the Company, depending upon the size of the construction work contemplated, but a minimum deposit required shall be \$10.00.

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BY: 
EFFECTIVE: May 1, 1987ISSUED BY: J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

6. APPLICATION FOR PRIVATE FIRE SERVICE

- (a) The extent of the rights of the Applicant for private fire service is to receive, but only at times of fire on said premises, such supply of water as shall then be available and no other or greater. The Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires, or to protect any persons or property against loss or damage by fire, or otherwise, and it shall be free and exempt from any and all claims for damages on account of any injury to property or persons by reason of fire, water failure to supply water or pressure, or for any other cause whatsoever.
- (b) Service connections for water to be taken for the extinguishment of fire shall be made only upon the terms as provided for in the "Application for Special Connection": for such service, a copy of which is on file in the Company's office, and then only after such license has been approved in writing by the President or Vice President and Manager, as well as by the Chief of the Fire Department.
- (c) A gate valve with indicator post controlling the entire supply shall be placed at the curb or property line of the street in which the main is located or at such other point as may be approved by the Company, and said valve shall be furnished by and at the expense of the Customer, and any valve pit or vault which may be required shall also be furnished by and at the expense of the Customer.
- (d) The Company will make the connection to its mains at the cost and expense of the Customer, and the street service connection from the main to the property line will be furnished, installed and maintained by the Company by and at the cost and expense of the Customer.
- (e) The entire private fire service system on the Customer's premises shall be installed by and at the expense of the Customer and shall be subject to the inspection, test and approval of the Company before the service is made effective, and at such times thereafter as may be deemed necessary by the Company.

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ISSUED: March 7, 1983

**ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky**

6. APPLICATION FOR PRIVATE FIRE SERVICE (Cont'd.)

- (f) A private fire service connection is furnished for the sole purpose of supplying water for the extinguishment of accidental fires, and the use of water from such a connection for any other purpose is absolutely forbidden.
- (g) Private fire protection service may at any time be furnished at the option of the Company through a line guarded by an approved fire line meter or detector device which shall be furnished and installed by the Company at the expense of the Customer. The meter shall be set in a brick or concrete vault or chamber, properly drained and protected, located at a point as near as possible to the curb line, and said vault or chamber shall be constructed and maintained by the Company at the expense of the Customer. The meter or detector device will be maintained by the Company, but at the expense of the Customer.
- (h) Hydrants and other fixtures connected with a private fire service connection may be sealed by the Company, and such seals shall be broken only in case of fire or as specially permitted by the Company, and the Customer must immediately notify the Company of the breaking of any such seal.
- (i) No pipe or fixtures connected with a private fire service connection served by the Company shall be connected with pipes or fixtures supplied with water from any other source.
- (j) Title to the service connection from the main to and including the meter or valve vault, located at or near the curb or property line shall, upon completion of construction, become vested in the Company.
- (k) The entire private fire service connection and all parts of it which are located outside of the property line of the Customer and any meter or other indicating or controlling device and all parts and appurtenances thereof no matter where located shall be under the sole jurisdiction of the Company.
- (l) The Company shall determine the size and location of any connections made to its mains for private fire service.

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ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

6. APPLICATION FOR PRIVATE FIRE SERVICE (Cont'd.)

- (m) The Customer shall furnish an accurate sketch or drawing showing the pipes, valves, hydrants, connections and appurtenances on the premises of the Customer and connected with the mains of the Company and also an accurate sketch of any other water pipe system and fixtures that may exist on the premises.
- (n) Whenever a fire service system is to be tested under the regulations of the fire insurance underwriters, the Customer shall notify the Company of such proposed test, naming the day and hour when same is to be made, so that, if desired, the Company may have an inspector present during the test.
- (o) All applications for private fire protection shall be subject to the written approval of the Chief of the applicable Fire Department, who, by such approval, shall affirm that, in his opinion, the public fire protection will not be endangered by the proposed connection to be made by the Company.

7. PRIVATE FIRE HYDRANT SERVICE OUTSIDE LEXINGTON CITY LIMITS
(OTHER THAN FOR INDUSTRIES, STATE OR COUNTY INSTITUTIONS)

Private fire hydrant service in public streets and roads outside of the limits of the City of Lexington (other than those contracted for by industries, State and/or County institutions) is available to a developer of a new subdivision in advance of annexation of such area by a unit of government and the assumption of responsibility for public fire hydrant charges by such unit, and will be rendered only under the following conditions:


- (a) The developer (or a representative from the area to be served) must sign an "Application for Special Connection", a copy of which is on file in the Company's office.
- (b) The entire cost for labor, materials and other expenses incurred in installing the private fire hydrant connection, consisting of tapping the main and installing the hydrant branch and hydrant at a convenient point between the curb and property line, will be paid by the applicant and the expense to be paid by the Company in connection therewith will be at the expense and risk of the Applicant.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2390 Richmond Road, Lexington, Kentucky

7. PRIVATE FIRE HYDRANT SERVICE OUTSIDE LEXINGTON CITY LIMITS (OTHER THAN FOR INDUSTRIES, STATE OR COUNTY INSTITUTIONS) (Cont'd.)

- (c) Advance payment for three years' hydrant rental charge will be required at the time contract is signed for private fire hydrant service.
- (d) A private fire hydrant is furnished for the purpose of supplying water for the extinguishment of accidental fires only and the use of water from such private hydrant for any other purpose is absolutely forbidden.
- (e) Water used for extinguishing accidental fires will not be charged for Prompt notice of hydrant use is to be given the Company in order that the installation may be inspected.
- (f) Title to the service connection and hydrant shall, upon completion of construction, become vested in the Company, which thereafter shall assume responsibility for maintenance and shall be under the sole jurisdiction of the Company.
- (g) The Company shall determine the size and location of connections made to its mains for private fire hydrants.
- (h) No private fire hydrant will be installed at a location where the normal flow from the hydrant is less than 500 gallons per minute with a 20 pounds per square inch residual pressure in the main serving the hydrant.
- (i) All water customers within 1,000 ft. of the private hydrant location, such distance being measured along public streets or roads, shall agree to pay such charges for this service as may be lawfully in effect from time to time, commencing with the expiration date of the initial three-year advance rental payment.
- (j) Failure to pay private fire hydrant rental charges shall be sufficient cause for discontinuance of water service to the property of the Customer after reasonable notice by the Company.

PUBLIC SERVICE COMMISSION
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ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

7. PRIVATE FIRE HYDRANT SERVICE OUTSIDE LEXINGTON CITY LIMITS (OTHER THAN FOR INDUSTRIES, STATE OR COUNTY INSTITUTIONS) (Cont'd.)

- (k) Commencing with the expiration date of the initial three-year advance rental payment, private fire hydrant charges will be billed annually in advance and included on water bill of each Customer within 1,000 ft. of the private fire hydrant location, which is first rendered after January 1st.
- (l) Private fire hydrant charges shall continue in effect until such time as a unit of government shall have annexed the area affected and agreed to pay public fire protection charges thereon.
- (m) The extent of the rights of the Applicant for private fire hydrant service is to receive, but only at times of fire on said premises, such supply of water as shall then be available and no other or greater. The Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires, or to protect any persons or property against loss or damage by fire, or otherwise, and it shall be free and exempt from any and all claims for damages on account of an injury to property or persons by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever.

8. DISCONTINUANCE OF WATER SERVICE

- (a) Water service will be discontinued to any premises on account of temporary vacancy upon written request of the Customer, without in any way affecting the agreement in force, and upon payment of all charges due as provided for in the Rates, Rules and Regulations of the Company.
- (b) The Company will not discontinue the service of any Customer for violation of any rule or regulation of the Company or for non-payment of bills, except on written notice of at least ten (10) days mailed to such Customer at his address as shown upon the Company's records, or personally delivered to him or a member of his household, advising the Customer in what particular such rule has been violated, for which **PUBLIC SERVICE COMMISSION OF KENTUCKY** be discontinued if the violation is permitted to continue. **EFFECTIVE**

FEB 17 1983

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SECTION 9(1)

BY: 

EFFECTIVE: May 15, 1981

ISSUED: March 7, 1983

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

8. DISCONTINUANCE OF WATER SERVICE (Cont'd.)

(b) (Cont'd.)

provided, however, discontinuance of service shall be effected not less than twenty (20) days after the mailing date of the original bill unless, prior to discontinuance, a residential customer presents to the Company a written certificate, signed by a physician, registered nurse or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may not be effected until the effected resident can make other living arrangements or until not less than ten (10) days elapse from the date of the Company's notification; provided, further, that where fraudulent use of water is detected, or where the Company's regulating or measuring equipment has been tampered with, or where a dangerous condition is found to exist on the Customer's premises, service may be shut off without notice in advance. Subject to the foregoing provisions, service rendered under any application, contract or agreement may be discontinued by the Company for any of the following reasons:

- (1) For willful or indifferent waste of water due to any cause which adversely affects either water service to other Customers or the Company's utility operation.
- (2) For failure to protect from injury or damage the meter and connections, or for failure to protect and maintain the service pipe or fixtures on the property of the Customer, in a condition satisfactory to the Company.
- (3) For molesting or tampering by the Customer, or others with the knowledge of the customer, with any meter, connections, service pipe, curb cock, seal or any other appliance of the Company controlling or regulating the Customer's water supply.
- (4) For failure to provide the Company's employees free and reasonable access to the premises supplied, or for obstructing the way of ingress to the meter or other appliance of the Company controlling or regulating Customer's water supply (with at least fifteen (15) days advance written notice).

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EFFECTIVE: May 15, 1981

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

8. DISCONTINUANCE OF WATER SERVICE (Cont'd.)

- (5) For non-payment of any account for water supplied, for water service, or for meter or service maintenance, or for any other fee or charge accruing under these Rates, Rules and Regulations.
 - (6) In case of vacancy of the premises.
 - (7) For violation of any other rule or regulation of the Company or state and municipal rules and regulations applying to the Company's water service.
- (c) In cases where plumbing has been installed prior to adoption of an not in accordance with these Rules and Regulations, and water is being taken through a single service pipe to supply two or more premises, the party making application shall be responsible for all water bills and other legitimate charges. Any violation of the rules of the company with reference to either or any of the said premises or for the supply of water thereto, shall be deemed a violation as to all, and the Company may enforce compliance with these rules by shutting off the entire service except that such action will not be taken until the innocent Customer who is not in violation of the Company's rules, has been given a reasonable notice and opportunity to attach his pipes to a separately controlled curb stop cock, to be provided by and at the expense of the Water Company.
- (d) Discontinuing the supply of water to a premises for any reason shall not prevent the company from pursuing any lawful remedy by action at law or otherwise for the collection of moneys due from the Customer.

9. RENEWAL OF WATER SERVICE AFTER DISCONTINUANCE

- (a) When water service to a premises has been terminated for any reason other than temporary vacancy, it will be renewed only after the conditions, circumstances or practices which caused the water service to be discontinued are corrected to the satisfaction of the Company, and upon payment of all charges due and payable by the Customer in accordance with the Rules and Regulations.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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BY: 

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EFFECTIVE: May 15, 1981

ISSUED BY:  James Barr, President
2300 Richmond Road, Lexington, Kentucky

9. RENEWAL OF WATER SERVICE AFTER DISCONTINUANCE (Cont'd.)

- (b) No Customer whose service has been turned off shall turn on same, or have same done by anyone other than the Company.

10. TURN-ON CHARGE

- (a) When it has been necessary to discontinue water service to any premises because of a violation of the Rules and Regulations or on account of non-payment of any bill, a charge will be made to cover the expense of turning on the water as set forth in the Company's schedule of rates and charges. This charge, together with any arrears that may be due the company for charges against the Customer, and any service deposit required by the Company, must be paid before the water will again be turned on.
- (b) If at the time of such discontinuance of service the Customer does not have a deposit with the Company, the Company may require a cash deposit as a guarantee of the payment of future bills before the water will be turned on.

11. ABATEMENTS AND REFUNDS

There shall be no abatement of the minimum rates due to the extended absence of the Customer without proper notice having been given to the Company. No abatement shall be made for leaks or for water wasted by improper or damaged service pipes or fixtures belonging to the Customer.


12. INSTALLATION OF SERVICE LINES

- (a) Where its mains are now or may hereafter be laid, the Company will, at its expense, install the service pipe and appurtenances between the water main in the street up to and including the stop cock and curb box, or the coppersetter when installed in the meter box at or near the curb line, provided that the service pipe is required for the immediate and continuous supply of water for general water service to premises abutting the public highway upon which such mains are located; and all such service pipes and appurtenances shall be installed only by the Company.

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SECTION 9.01

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ISSUED: March 7, 1983

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

12. INSTALLATION OF SERVICE LINES (Cont'd.)

- (b) The Company will maintain such service pipes and appurtenances laid by it, but it will not maintain any service pipes which are Customer-owned, or which were installed to supply special fire connections or temporary service connections.
- (c) The Company will make all connections to its mains and will specify the size, kind and quality of all materials.
- (d) The corporation cock, curb cock, curb box, meter box, and the street service pipe from the street main to the curb cock will be furnished, installed and maintained by the Company, and shall remain under its sole control and jurisdiction.
- (e) The curb box or meter box will be set on a level with the grade of the sidewalk and shall be kept accessible at all times.
- (f) The Company reserves the right to determine the size of each connection to its mains, and the service installed therefrom.
- (g) the Company will specify the size, kind and quality of the materials comprising the Customer's service pipe from the curb line to the place of consumption, but same shall be furnished, installed and maintained by the Customer at his own expense and risk.
- (h) The Customer's service pipe and all connections and fixtures attached thereto shall be subject to the inspection of the company before the water will be turned on, and all premises receiving a supply of water and all service pipes, meters, and fixtures, including any and all fixtures within the said premises, shall at all reasonable hours be subject to inspection by any duly authorized employees of the Company.
- (i) The service pipe shall be laid below the frost line at all points and shall be placed on firm and continuous earth so as to give unyielding and permanent support, shall not be laid in driveways, nor pass through premises other than that to be supplied, and shall be installed in a trench at least two feet in a horizontal direction from any other trench ~~PUBLIC SERVICE COMMISSION~~ ~~OF KENTUCKY~~ ~~EFFECTIVE~~ laid gas pipe, sewer pipe, or other facilities, public or private.

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: 

EFFECTIVE: May 1, 1967

ISSUED: March 7, 1983

ISSUED BY:  J. James Barr, President
2500 Richmond Road, Lexington, Kentucky

12. INSTALLATION OF SERVICE LINES (Cont'd.)

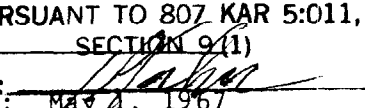
- (j) The Customer shall install a stop and waste cock of a type approved by the Company on the service pipe immediately inside the foundation wall of the building supplied, and to be located so as to be easily accessible to the occupants and to provide proper drainage for all of the pipes in the building.
- (k) The property owner shall be required to lay his service pipe to the curb line at a point designated by the Manager or other authorized employee of the Company, after which the Company will install the service from the main to the curb line.
- (l) Where a street service connection is already laid to the curb line, the Customer shall connect with the service connection as laid.
- (m) When a Customer service pipe is relocated at the Customer's request, or in instances where a Customer service pipe is required to be relocated due to roadway construction or other causes not within Company control and where no reimbursement is received from other sources, the Customer shall be responsible for the cost of such relocation.
- (n) No attachment to the service pipe or any branch therein shall be made between the meter and the street main.
- (o) Each premise shall be supplied through an independent service pipe from a separate curb cock or meter box. If, however, in the opinion of the Company, this is not practicable or advisable, the service may be branched to supply more than one premises.
- (p) After the effective date hereof, water taken for the extinguishment of fire must be taken through a separate service pipe installed and used solely for fire fighting purposes.
- (q) Service pipes installed and owned by the property owner must be kept and maintained in good condition and free from all leaks, and for failure so to do, the water supply may be discontinued.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

ISSUED: March 7, 1983

BY: 
EFFECTIVE: May 1, 1967ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

12. INSTALLATION OF SERVICE LINES (Cont'd.)

- (r) The Company shall in no event be liable for any damage done or inconvenience caused by reason of any break, leak or defect in, or by water escaping from service pipes or fixtures on the premises of the owner or Customer.
- (s) No plumber shall part with the possession of a key for turning on or off the water, except to an employee of the Company.
- (t) After testing any work, the plumber shall turn off the water from such premises, except where the work is a simple extension or additional fixture on a service then in use. Where water was found turned off previous to making alterations or repairs, plumbers shall not leave water turned on when work is completed.
- (u) No plumber or other person shall turn on water to any premises, whether supplied by old or new service, or allow any person in his employ to do so without written permission from the Company. Any violation of this rule shall subject plumber or any other person to prosecution by law.
- (v) In case of accidents to services, plumbers will be permitted to turn off the supply to such services, and notice shall be given the Company within twenty-four hours.

13. ASSIGNMENT OF SERVICES

In cases where service pipes have been installed by and at the expense of the property owner, the ownership and title to such service pipe, (excepting those for "temporary use"), will be accepted by the Company when legally assigned and transferred to it upon a form provided therefor, and in consideration of the assignment and transfer thereof the Company will assume thereafter the responsibility of maintaining such service pipe. The assignment of title to service pipes will not be accepted by the Company if such service pipes are laid on premises other than that supplied, or if not laid at right angles with the water mains of the Company.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

14. DEPOSITS

- (T) (a) **Residential, Industrial or Other Public Authority:** No deposit is required for residential,
(C) industrial, other public authority or resale customer for initiation of water service or re-connection of water service unless one or more of the following conditions exist for the applicant/customer (hereinafter referred to as "Customer").
1. The Customer has an unpaid balance from a previous account greater than \$10.00 for any unpaid charged-off balance.
 2. The Customer has in the previous seven (7) years or during the course of their Kentucky-American Water Company service time filed for Chapter 7, 11, 12 or 13 Bankruptcy.
 3. The Customer has on any previous or current Kentucky-American Water Company Account had service shut-off for non-payment two (2) times within the past two (2) years.
 4. The Customer has on a previous or existing Kentucky-American Water Company Account a check returned by the bank unpaid two (2) or more times.
- (T) (b) **Commercial Customers:** Commercial Customers will be required to pay a deposit. The deposit
(C) may be waived if the Customer demonstrates a satisfactory Kentucky-American Water Company payment history or satisfactory credit history.
- (T) (c) **Calculation of the Deposit.** The deposit is equivalent to one and one-third (1-1/3) times the
(C) estimated average quarterly water bill or two (2) times the estimated average monthly water bill. Commercial deposits will be based upon these same criteria or on the average bills of similar customers and premises in the service territory.
- (d) Simple interest at six percent (6%) will be paid on any deposit Kentucky-American Water Company retains. Interest will be paid annually. Deposit refunds are made one year from the date of the deposit to residential, industrial, other public authority and resale customers provided the customer has a satisfactory payment record for that period. The deposit and any accumulated interest thereon may be applied to any unpaid final bill of such customer.

Interest will not be paid after discontinuance of service to the Customer if the Company has made reasonable effort to return the deposit to the Customer. Reasonable effort will have been made by the Company by mailing the deposit to the Customer at his last known address.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

ISSUED: August 15, 1996

SEP 04 1996

EFFECTIVE: September 4, 1996

Issued By: 

PURSUANT TO 807 KAR 5.011,

SECTION 9 BY Roy W. Mundy II, Vice President

2300 Richmond Road Lexington, Kentucky 40502
FOR THE PUBLIC SERVICE COMMISSION

14. DEPOSITS (Continued)

- (e) The Company will issue a Certificate of Deposit to every customer from whom a deposit is received and will provide reasonable ways and means whereby a Customer shall not be deprived of the return of his deposit because he may be unable to produce the original Certificate of Deposit.
- (f) If a Customer files a petition in bankruptcy, consistent with 11 U.S.C. 366(B), Kentucky-American Water Company will require all such customers, within twenty days after the date of the filing of the petition, to furnish adequate assurance of payment in the form of a cash deposit for the continuation of service. Adequate assurance of payment shall be a deposit equivalent to one and one-third times the estimated average quarterly water bill of the customer or two (2) times the estimated average monthly bill of the Customer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 04 1996

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

(T) To signify a change in text.
(C) To signify changed regulation.

ISSUED: August 15, 1996

EFFECTIVE: September 4, 1996

Issued By: Roy W. Mundy II, Roy W. Mundy II, Vice President
2300 Richmond Road, Lexington, Kentucky 40502

15. CUSTOMERS REQUIRING UNINTERRUPTED SUPPLY

- (a) The Company will endeavor to give reasonable service but does not guarantee a sufficient or uniform pressure or an uninterrupted supply of water, and Customers are cautioned to provide sufficient storage of water where an absolutely uninterrupted supply must be assured, such as for steam boilers, domestic hot water systems, gas engines, etc.
- (b) Fixtures or devices taking a supply of water directly from the service pipes, depending upon the hydraulic pressure of the pipe system of the company for supplying same under working pressure, will do so at the risk of the parties making such attachments, as the company will not be responsible for any accidents or damages to which such fixtures or devices are subject.

16. INTERCEPTING AND STORAGE TANKS

The inlet connection for such tanks shall discharge at a point no less than six inches above the overflow and shall be approved by the Company.

17. CHECK VALVES, FLUSH VALVES AND VACUUM BREAKERS

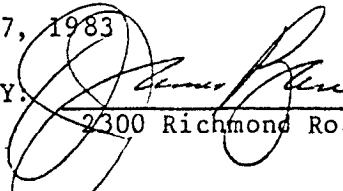
- (a) Customers having boilers or hot water heating systems connected with mains of the Company must have a check valve in the supply pipe to the boilers and hot water heating systems, together with a relief valve at some point between the check valve and heating system. All customers are hereby cautioned against danger of collapse of boilers, since it is sometimes necessary to shut off the supply of water without notice, and for this reason a vacuum valve should be installed in the steam line to prevent collapse in case the water supply is interrupted. The Company, however, will not be responsible for accidents or damages resulting from the imperfect action or failure of said valves.
- (b) Flush valve or direct flushing closets should be installed in premises where the service pipe supplying such premises is connected to a main two inches or less in diameter. **EFFECTIVE** valves shall be equipped with approved type vacuum breakers.

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967


ISSUED BY: J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

18. PLUMBING WORK MUST BE INSPECTED BY COMPANY

All plumbing work done in connection with pipe and fixtures connected with the Company's mains shall be submitted for the inspection of the Company before such underground work is covered up. Whenever the Company determines that a job of plumbing is obviously defective, although not in direct violation of these Rules and Regulations, the Company may insist upon its being corrected before the water will be turned on.

19. CROSS-CONNECTIONS

- (a) Interconnections, as defined below, and any and all physical connections between the public water supply and any industrial, commercial or other water supply shall be discontinued regardless of whether or not such cross connections and interconnections are controlled by automatic devices, such as check-valves, or by hand operated mechanisms such as gate valves or stop cocks; and no physical connection shall be made or established except between public water supplies which are adequately treated and are under adequate laboratory control.
- (1) Interconnection. An interconnection is a plumbing arrangement, other than a cross-connection, by which contamination might be admitted or drawn into the distribution system of the Company, or into lines connected therewith, which are used for the conveyance of potable water.
- (b) If a public water supply is used as a secondary supply delivered either to an elevated tank or suction tank supplied with water from a source or system with which physical connections are not permitted by this regulation, such tank or tanks shall be open to atmospheric pressure, and the water from the public water supply system shall be discharged into the tank at an elevation above the overflow level of the tank or tanks, and the tank overflow shall be of adequate size to fix definitely the maximum overflow level.
- PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 1986

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: *J. Longhagan*

Date of Issue: May 29, 1986

Date Effective: June 19, 1986

Issued By:

R. A. Edens
R. A. Edens, Vice President
and General Manager
2300 Richmond Road
Lexington, Kentucky

19. CROSS-CONNECTIONS (Cont.)

- (c) The making, causing or permitting of the installation or existence of an interconnection or cross-connection in violation of these rules shall constitute a violation of the Rules and Regulations of the Company, and such prohibited connection shall be removed forthwith in a manner acceptable to the Company and to the State Commissioner of Health, or the duly constituted State Health Officer and plumbing inspectors. Failure to do so within two days from and after date of notification by the Company may result in discontinuance of water service.

20. METERS

- (a) Water will be sold by meter measurement only, except that Customers having special connections and receiving service under an "Application for Special Connection" shall pay for such service in accordance with the schedule of rates established therefor.
- (b) All meters, except detector devices and/or fire service line meters, will be installed, maintained and renewed by; and at the expense of the Company, but in case of damage to such meters by reason of any act, neglect or omission on the part of the Customer (such as damages occasioned by fire, hot water, accident or misuse) the Customer shall pay to the Company the cost of its repair on presentation of bill therefor.
- (c) The Company reserves the right to determine the kind and size of meter that shall be placed on any service pipe, and such meters will be furnished, installed and removed by the Company alone, and shall remain its property.
- (d) After the effective date hereof, each premises shall be supplied through an independent meter setting. In existing installations, however, where two or more premises are supplied through a single meter, the minimum charge set forth in the schedule of rates will be made for each premises supplied.
- (T) (e) When, after the effective date hereof, more than one meter setting is installed upon a Customer's premises (as premises is defined herein), the registrations of all meters on a premises will be combined for
- PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
JUN 19 1986
PURSUANT TO 807 KAR5:011,
SECTION 9 (1)
BY: *J. McLaughlin*

Date of Issue: May 29, 1986

Date Effective: June 19, 1986

Issued By:

R. A. Edens
R. A. Edens, Vice President
and General Manager
2300 Richmond Road
Lexington, Kentucky

20. METERS (Cont.)

(e) Continued.....

billing purposes if so requested by the Customer. Combined billing will be continued in existing installations as long as the premises criteria is met.

- (f) All meters are accurately tested before installation and are also periodically tested in accordance with the Public Service Commission's regulations. The Company may at any time remove any meter for periodic tests or for repairs or replacement and may, at its option and expense, test any meter when the Company has reason to believe that it is registering inaccurately.
- (g) The Company shall make a test of the accuracy of any meter upon written request of the Customer, and in his presence, provided the Customer does not request such test more frequently than once in twelve months. The Customer shall be billed the actual cost of making the test, but should the said meter be found, upon said test, to be more than two percent incorrect to the prejudice of the Customer, the fee so charged shall be returned to the complainant.
- (h) A test will be made of a Customer's meter by an Engineer employed by the Commission, upon a formal application to the Commission, for which a fee will be charged by the Commission. This fee paid by the Customer shall be retained by the Commission; however, if the test shows the meter to be more than two percent (2%) fast, then the amount of the fee paid by the Customer shall be refunded to said Customer.
- (i) The Company reserves the right to put seals on any water meter or couplings in and for any premises, and may shut off the supply if such seals are found broken or removed.
- (j) When any meter has once been placed, any change in location directed by the Customer will be done by the Company, but at the expense of the Customer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 1986
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: *J. Leoghegan*

Date of Issue: May 29, 1986

Date Effective: June 19, 1986

Issued By: *R. A. Edens*
R. A. Edens, Vice President
and General Manager
2300 Richmond Road
Lexington, Kentucky

CITY OF LEXINGTON AND FAYETTE
COUNTY, KENTUCKY AND
FOR CONTIGUOUS TERRITORY THERETO
Community, Town or City
P.S.C. NO. 6
ORIGINAL SHEET NO. 24.1
CANCELLING P.S.C. NO.
SHEET NO.

KENTUCKY-AMERICAN WATER COMPANY
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

**RATE
PER UNIT**

20. (K)

MONITORING OF CUSTOMER USAGE

- (C) The Company will continually monitor the usage of each customer according to the following procedure:
- (C) 1. Each time an account is read, the resulting usage for the current period will be compared to the usage for the same period for the previous year. If the usage for the current period is equal to or greater than two times the usage for the same period for the previous year, this will be automatically noted on the company's daily billing edit. If the usage for the current period is less than or equal to one-third of the usage for the same period for the previous year, this will also be automatically noted on the company's daily billing edit.
- (C) 2. If the difference cannot be attributed to a readily identified common cause, the meter will be re-read before the account is billed.
- (C) 3. A billing exception report is generated each night as accounts are billed. This report includes various situation codes, including consecutive zero consumptions, high consumptions and low consumptions. Service orders are prepared for all consecutive zero consumption exceptions and the meters are checked to see if a stuck meter condition exists. For other exception codes, if the cause cannot be attributed to a readily identified common cause, the company will take the necessary investigative steps and if appropriate, contact the customer by telephone or in writing to determine whether there have been changes, such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer service line.
- (C) 4. If this review does not yield an explanation for the variance, the company will then test the customer's meter to determine whether it shows an average error of greater than 2% fast or slow.
- (C) 5. The company will notify the customer of the investigation, its findings and any refunds or back-billings in accordance with 807 KAR 5:006, Section 10 (4) and (5).

In addition to this monitoring, the company will immediately investigate significant usage deviations brought to its attention in any other form.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE 5/15/92
ISSUED BY [Signature]
Name of Officer

DATE EFFECTIVE 5/15/92 JUN 18 1992
TITLE Vice President

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

21. ACCURACY REQUIREMENTS OF WATER METERS

- (a) General. All meters used for measuring the quantity of water delivered to a customer shall be in good mechanical condition and shall be adequate in size and design for the type of service which they measure.
- (C) (b) Determination of Accuracy. No new, rebuilt or repaired meter shall be placed in service if it registers outside the parameters established in the charts of 807 KAR 5:066, Section 15.
- (C) (c) As Found Tests. All meters tested in accordance with the rules for periodic, request or complaint tests, shall be tested in the condition as found in the Customer's service prior to any alteration or adjustment in order to determine the average meter error. This test shall consist of three rates of flow in the minimum, intermediate and high flow range for that type of meter.
- (C)

22. BILL ADJUSTMENT

- (a) Whenever a meter in service is found upon periodic request or complaint test to be more than two percent (2%) fast, additional tests shall be made at once to determine the average error of the meter. Said tests shall be made in accordance with the Commission's regulation applicable to the type of meter involved.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 28 1997

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

(C) To signify changed regulation.

ISSUED: May 28, 1997

EFFECTIVE: May 28, 1997

ISSUED BY:

Roy W. Mundy, II
Roy W. Mundy, II, Vice President

2300 Richmond, Lexington, KY 40502
Address

22. BILL ADJUSTMENT (Cont'd.)

- (b) Determination of Meter Error for Bill Adjustment Purposes.
When upon periodic request or complaint test, a meter is found to be in error in excess of the limits allowed by the Commission's regulations, three additional tests shall be made; one at 75% of rated maximum capacity; one at 50% of rated maximum capacity; one at 25% of the rated maximum capacity. The average meter error shall be the algebraic average of the errors of the three tests.

- (c) If the result of tests on a Customer's meter shows an average error greater than two percent (2%) fast, then the Customer's bill, for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test.

In the event the period during which the meter error existed is unknown, then the Customer's bill shall be recomputed for one-half (1/2) of the elapsed time since the last previous test but in no case to exceed twelve (12) months. (See exception in Section f of this rule).

- (d) If the result of tests on a Customer's meter shows an average error greater than two percent (2%) slow, then the Customer's bill for the period during which the meter error is known to have existed, may be recomputed and the account adjusted on the basis of the test.

In the event the period during which the meter error existed is unknown, then the Customer's bill may be recomputed for one-half (1/2) of the elapsed time since the last previous test but in no case to exceed twelve (12) months.

- (e) It shall be understood that when a meter is found to have an error in excess of two percent (2%) fast or slow the figure for calculating the amount of refund or the amount to be collected by the utility shall be that percentage of error as determined by the test; i.e., it is the duty of the utility to maintain the accuracy of its measuring device as nearly 100% as is commercially practicable. Therefore, percent error shall be that difference as between 100% and that amount of error as indicated by the test.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

22. BILL ADJUSTMENT (Cont'd.)

- (f) The burden of maintaining measuring equipment so that it will register accurately is upon the utility; therefore, if meters are found upon test to register fast and if time for periodic test has overrun to the extent that one-half (1/2) of the time elapsed since the last previous test exceeds twelve months, the refund shall be for the twelve (12) months as specified in Section C of this rule and in addition thereto, a like refund for those months exceeding the periodic test period; provided, however, that the Commission may relieve the utility from this requirement in any particular case in which it is shown that the failure to make the periodic test was due to causes beyond the utility's control.

23. TERMS AND CONDITIONS OF BILLING AND OF PAYMENT

- (a) Private fire service charges shall be payable monthly in advance, except that charges made to governmental agencies shall be payable monthly in arrears.
- (b) Public fire service charges shall be payable monthly in arrears.
- (c) Bills for water service by meter will be rendered for monthly or quarterly periods at the option of the Company, and ending at such dates as may be determined by the Company.
- (d) Bills for private fire hydrants shall be payable quarterly in advance, except that the charges for private fire hydrant service outside of Lexington city limits (other than for industries, state or county institutions) shall be payable as set forth in Rule 7.
- (e) Special charges shall be payable upon demand.
- (f) All bills for water and service are due and payable at the office of the Company or at a designated branch collecting agency when rendered and are considered delinquent if not paid within ten days thereafter. Failure to pay will render the Customer subject to discontinuance of service and subject to charge for disconnecting and reconnecting service. If any bill for water service is not paid within ten days following the submission thereof, the service may be discontinued in accordance with Rule 8. Discontinuance of Water Service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 1986

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: *J. Longhagan*

Date of Issue: May 29, 1986

Date Effective: June 19, 1986

Issued By: *R. A. Edens*
R. A. Edens, Vice President
and General Manager
2300 Richmond Road
Lexington, Kentucky

23. TERMS AND CONDITIONS OF BILLING AND OF PAYMENT (Cont'd.)

- (g) Customers are responsible for furnishing the Company with their correct addresses. Failure to receive bills will not be considered an excuse for non-payment nor permit an extension of the date when the account would be considered delinquent.
- (h) All bills will be sent to the address entered in the application unless the Company is notified in writing by the Customer of any change of address.
- (i) The Company will not be bound by bills rendered under mistake of fact as to the quantity of service rendered.
- (T) (j) The use of water by the same customer in different premises or localities will not be combined.
- (k) If for any reason service is discontinued before the expiration of one (1) month from commencement of service, a bill for at least the minimum charge for one (1) month will be rendered.

24. OWNERSHIP OF PROPERTY

All pipe, fittings, equipment, meters or other appliances between the Company's distributing mains and the curb line of the Customer, and any meters and equipment appurtenant thereto that may be inside the Customer's curb line, when installed at the expense of the Company, shall at all times be and remain the property of the Company and may at any time during reasonable hours be removed by it upon the discontinuance of service.

25. EXTENSION OF MAINS

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

In the matter of extension of facilities, the following rules shall apply:

JUN 19 1986

(a) Free Extensions

I. Public Fire Service

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: *J. Deschegaz*

Date of Issue: May 29, 1986

Date Effective: June 19, 1986

Issued By:

R. A. Edens
R. A. Edens, Vice President
and General Manager
2300 Richmond Road
Lexington, Kentucky

KENTUCKY-AMERICAN WATER COMPANY

P.S.C. KY NO. 6

Fourth Revised Sheet No. 28.1

Canceling Third Revised Sheet No. 28.1

Kentucky American Water
PO BOX 578
ALTON, IL 62002-0578

For Service To: 14 Laurel Ln

John Doe
14 Laurel Ln
Lexington KY 40505

2	ACCOUNT NUMBER	12-0400715-5
3	AMOUNT DUE	\$ 40.25
4	DUE DATE	Sep 16, 2003
5	Amount Paid	

Please return this portion with check or money order payable to

KENTUCKY AMERICAN WATER
PO Box 580491
Charlotte NC 28258-0491

☐ Please check here to change address or telephone number and print information on reverse side.

Customer Account Information

For Service To: John Doe
14 Laurel Ln
Account Number: 12-0400715-5
Premise Number: 12-0116357

Billing Period & Meter Information

Billing Date: Sep 04, 2003
Billing Period: Aug 01 to Sep 01 (31 days)
Next reading on/about: Oct 01, 2003
Rate Type: Residential

Meter readings in current billing period:

Meter Number A11111111 is a 5/8-inch meter.
Present-actual 26
Last-actual 18
100 Cubic Feet used 8
1 cu. ft. equals 7.50 gallons
Gallons used 6000

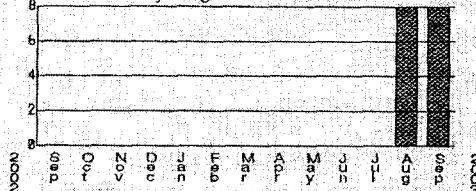
Billing Summary

-----Prior Balance-----
30 Balance from last bill
31 Payments as of Sep 04, 2003. Thanks!
32 Total prior balance, Sep 04, 2003
33 -----Current Water Charges-----
34 Meter Service Charge 7.31
35 Water Usage (\$1.675810 x 8.00) 13.41
36 Total water charges, Sep 04, 2003 20.72
37 -----Current Wastewater Charges-----
38 Sewer Usage (\$ 1.78000 x 4.00) 7.12
39 (\$ 2.16000 x 3.00) 6.48
40 Total Use Billed 13.60
41 -----Other Current Charges-----
42 Landfill User Fee 4.50
43 Gtown Hydt Fee
44 Total other charges, Sep 04, 2003 4.50
45 -----Taxes-----
46 KRA Withdrawal Fee - 100CF .33
47 Fayette Co Tax .63
48 Franchise Fee - LFUCG .47
49 Total taxes, Sep 04, 2003 1.43
50 -----Total Current Charges----- 40.25
-----TOTAL AMOUNT DUE-----

\$40.25
-40.25
.00
7.31
13.41
20.72
7.12
6.48
13.60
4.50
4.50
.33
.63
.47
1.43
40.25
\$40.25

Water Usage Comparison

Monthly usage in 100 cubic feet



Messages from Kentucky American Water

*Local Address: 2300 Richmond Road, Lexington, KY 40502
*Kentucky American has transitioned its customer call center to the American Water Customer Service Center located in Alton, Illinois, with expanded service hours of 7:00 a.m. - 7:00 p.m., Monday - Friday. If you have questions about your bill, or the services we provide, contact us at 1-800-678-6301.

PLEASE NOTE: YOUR ACCOUNT NUMBER HAS CHANGED DUE TO THIS TRANSITION. If you are using an automated bill paying system, or are enrolled in a direct debit program with your financial institution, please provide them with your updated account information.

*Add \$1 to your monthly water bill and help low-income customers with their water bills. If you know of someone in need of this assistance, contact Community Action Council at (859) 233-4600 or 1 (800) 244-2275.

Customer Service: 859-268-6300 or 800-678-6301
Emergency: 859-269-2395 or 800-678-6301
Visit us on the INTERNET at: www.kawc.com

MAY 01, 2000

PURSUANT TO 801 KAR 0011
SECTION 9.01

ISSUED: October 8, 2003

ISSUED BY: Roy W. Mundy II, President

Effective: May 1, 2000
BY: [Signature]
EXECUTIVE DIRECTOR
2300 Richmond Rd., Lexington, KY 40502
Address

(Continued)**Here is an explanation of the typical customer's bill.**

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(T) 1. Assumed name for Kentucky-American Water Company and National Call Center address</p> <p>2. Customer account number – use this when making inquiries</p> <p>3. Total amount due or DO NOT PAY (if credit balance or paid through automatic withdrawal)</p> <p>4. Date payment is due</p> <p>5. Amount customer is paying</p> <p>(T) 6. Address where service is received</p> <p>7. Customer name and billing address</p> <p>8. Information if paying by check or money order</p> <p>9. Address to mail payment</p> <p>10. Area to request a change of address or telephone number</p> <p>11. Customer Account Information</p> <p>12. Customer Name</p> <p>13. Service Address</p> <p>14. Account Number</p> <p>(T) 15. Premise Number</p> <p>16. Billing Period & Meter Information</p> <p>17. Billing Date</p> <p>18. Billing Period and number of days of service</p> <p>19. Approximate next reading date</p> <p>20. Rate Type (or classification of service)</p> <p>21. Meter readings in current billing period:</p> <p>22. Meter number and meter size</p> <p>23. Present meter reading (actual or calculated)</p> <p>24. Prior (last) meter reading (actual or calculated)</p> <p>25. Usage in cubic feet</p> <p>26. Explanation (one cubic foot equals approximately 7.5 gallons).</p> | <p>27. Usage in gallons</p> <p>(T) 28. Graph of monthly usage history</p> <p>29. Billing Summary</p> <p>30. Balance from last bill</p> <p>31. Payments as of bill date</p> <p>32. Prior balance as of bill date</p> <p>33. Current Water Charges</p> <p>(T) 34. Meter Service Charge</p> <p>35. Water Usage</p> <p>36. Total water charges</p> <p>(T) 37. Current Wastewater Charges</p> <p>38. Sewer Usage (LFUCG or other sewer authority)</p> <p>39. Total Use Billed</p> <p>40. Other Current Charges</p> <p>41. Landfill User Fee (if applicable)</p> <p>(T) 42. Georgetown (or other municipal authority) Hydrant Fee (if applicable)</p> <p>(T) 43. Total other charges, current date</p> <p>(T) 44. Taxes</p> <p>45. KRA (Kentucky River Authority) Withdrawal Fee – 100CF</p> <p>46. County Tax (applicable to each county served)</p> <p>47. Franchise Fee (if applicable)</p> <p>48. Total taxes</p> <p>(T) 49. Total Current Charges</p> <p>50. Total Amount Due</p> <p>51. Messages from Kentucky American Water</p> <p>(T) 52. Customer Service and Emergency Phone numbers and Internet address</p> |
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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**(T) Indicates Change in Text or New Text Added**

MAY 01, 2000

PURSUANT TO 107 KAR 5:011
SECTION 2(1)

ISSUED: October 8, 2003

BY 
EFFECTIVE MAY 1, 2000ISSUED BY: 
Roy W. Mundy II, President2300 Richmond, Lexington, KY 40502
Address

25. EXTENSION OF MAINS (Cont'd.)

- (A) In the event that the City of Lexington, by ordinance of its Commission, shall order the installation of additional fire hydrants on existing mains having an internal diameter of six inches or larger, the Company will install such hydrants at its own cost and expense, provided that such mains are of adequate capacity to provide the required fire flows.
- (B) Where pipe line installations are required to carry out an order of the City of Lexington to install fire hydrants, or where existing mains, in the opinion of the Company, are inadequate to provide required fire flows to such hydrants, and the City orders by public ordinance the installation of a water main of adequate size to provide such flows to the hydrant or hydrants so ordered, the Company will install such mains and hydrants at its own cost and expense, provided that the estimated cost of the extension does not exceed the estimated total revenue for a period of three (3) years from such hydrant or hydrants and from prospective Customers who will connect to such main within thirty (30) days after the date that water is turned into the main; and provided, further, that there is delivered to the Company a written guarantee by a financially responsible person or firm that such prospective Customers will take water service at their premises within thirty (30) days after the date that water is turned into the main.

II. General Water Service Other than in New Subdivisions

The Company will, upon written request for service by a prospective Customer of a group of prospective Customers located in the same neighborhood, make free of charge an extension necessary to give service, when the estimated total revenue, for a period of three (3) years, from the prospective Customer or Customers is approximately equal to the cost of the extension; provided that the prospects are that the patronage or demand will be of such permanency as to warrant the capital expenditure involved.

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OF KENTUCKY
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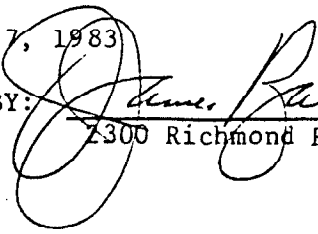
FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

25. EXTENSION OF MAINS (Cont'd.)

(b) Extension Above Free Limit

I. Public Fire Service

If the estimated cost of the proposed extension and hydrants required in order to furnish fire service exceeds three (3) times the Company's estimate of immediate annual revenue, as specified in (a) I above, such extensions will be made under the following conditions: the Company may require a deposit in the amount by which the cost of the extension, including the cost of hydrants which might be connected thereto, exceeds three (3) times the annual revenue estimated to be received from the hydrant and prospective Customers and will, in such case, for each additional Customer directly connected to the extension between its original beginning and original terminus with a period of ten (10) years from the making of such extension, refund an amount equal to three (3) times the estimated annual revenue of the new Customer, but at no time shall the aggregate refund made exceed the original deposit.

II. General Water Service Other Than in New Subdivisions

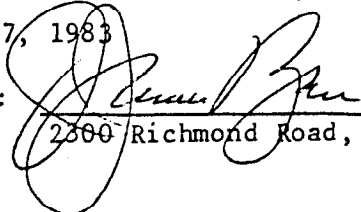
If the extension required in order to furnish general water service at any point within the corporate limits of the municipality or for any adjacent suburb of the municipality is greater than the free extension specified herein, such an extension will be made under the following conditions: the Company may require a deposit of the cost of the extension above the free limit and will, in such case, for each additional Customer directly connected to the extension between its original beginning and original terminus within a period of ten (10) years from the making of such extension, refund an amount equal to three times the estimated annual revenue of the new Customer, but at no time shall the aggregate refund made to any Customer exceed the original deposit of such Customer. PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2200 Richmond Road, Lexington, Kentucky

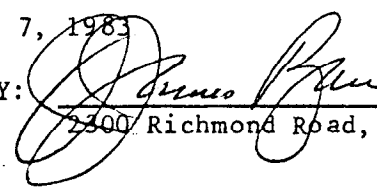
25. EXTENSION OF MAINS (Cont'd.)

- (c) In estimating the cost of an extension, the estimate shall be based on the diameter of the pipe to be used, provided, however, the estimated cost to the Customer or Customers shall not be based on a pipe diameter in excess of eight (8) inches, unless actual consumption estimated for the proposed Customer or Customers requires a larger pipe.
- (d) No interest will be paid by the Company on the Applicant's payment or on any unrefunded balances. At the expiration of said ten-year period, the refund account will be closed, and no further refunds will be made.
- (e) Provisions of Rule 25 (a) II and (b) II shall not operate to reduce the free extension or refund amount below that applicable to fifty (50) feet of main per Customer. A prospective Customer is one who will connect to such main extension within thirty (30) days after the date the water is turned into the main; provided further, that there is delivered to the Company a written guarantee by a financially responsible person or firm that such prospective Customer will take water service within the aforementioned thirty (30) day period.
- (f) Extensions made under this rule shall be and remain the property of the Company.
- (g) The Company reserves the right to further extend its water mains from and beyond the terminus of each water main extension made under this rule. The Applicant or the Applicant's agent paying for an extension shall not be entitled to any refund for the attaching of Customers to any further extension or branch mains so installed.
- (h) In determining the length of main extensions or of pipe lines to be installed, the main shall be extended to fully cover the frontage of the property, and if the last lot to be served is a corner lot or a lot immediately adjacent to a corner lot, the terminal point of the extension made hereunder shall be located so that the main laid hereunder ties in with the existing main located in the intersecting street; and further provided that if there is no main located in the intersecting street, the terminal point of the extension made hereunder shall be located at the nearest street line of the intersecting street.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
FEB 17 1983
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: December 16, 1981

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

25. EXTENSION OF MAINS (Cont'd.)

- (i) Before water lines will be laid hereunder in any new subdivision, it is understood and agreed that the road surface shall be brought to the established sub-grade; and the developer or builder of such new subdivision shall furnish the Company with a right-of-way agreement suitable in form to the Company, unless the streets of the new subdivision have been dedicated to the public use.

26. MAIN EXTENSIONS, NEW SUBDIVISION:

(a) Definitions:

- (1) The term "new subdivision" as used herein shall mean any new subdivision of residential and/or commercial lots for which a preliminary or final plat has been approved by the Lexington-Fayette County Planning and Zoning Commission, and in which the owner thereof has the right, under the rules of said Commission, to construct streets, sidewalks, curbs and other improvements.
- (2) The term "lot" as used herein shall mean any plot of ground laid out for building purposes, the front footage of which does not exceed one hundred feet. Should the frontage of any plot exceed one hundred feet, it shall, for the purposes of this Rule be considered as a single lot, if the average frontage of all lots in the subdivision does not exceed one hundred feet. If the average frontage of all lots in the subdivision does exceed one hundred feet, the total number of lots in the subdivision shall be determined by dividing the total front footage of all the lots in the subdivision by one hundred feet.
- (3) The term "on site facilities" as used herein shall include only those water mains and related facilities, if any, to be installed by Company and located within the boundaries of the new subdivision or part thereof as said boundaries are depicted on the preliminary (or final, if applicable) plat of such subdivision or part thereof approved by the Lexington-Fayette County Planning and Zoning Commission.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

26. MAIN EXTENSION, NEW SUBDIVISIONS (Cont'd.)

- (4) The term "off site facilities" as used herein shall include all water mains and related facilities, if any, to be installed by Company and located outside of the boundaries of said new subdivision as said boundaries are depicted on the preliminary (or final, if applicable) plat of said subdivision as approved by said Commission, in order to deliver an adequate supply of water from existing mains of Company to such new subdivision.
- (5) The term "current estimated cost" as used herein shall mean that sum determined by Company as the current cost of installing one foot of water main, together with that sum determined by Company as the current cost of installing each type of appurtenant related facility. During the first quarter of each year, Company will determine from its records its actual average cost per foot, during the preceding calendar year, of construction and installation of all sizes and grades of water mains for which the construction projects have been completed during such calendar year, together with its average cost during such calendar year of installing each type and size of related facility for which construction has been completed during such year. Such average cost per foot and such average cost per appurtenant facility shall be deemed to be the "current estimated cost" for such mains and facilities during the twelve month period immediately following such determinations, it being contemplated that the current estimated cost will be revised annually in order to keep same as current as practicable.
- (b) When an extension of Company's water distribution system into any new subdivision or part thereof as defined herein is requested by the owner of such subdivision, such extension will be made under the terms of a "New Subdivision Extension Deposit Agreement for Off Site Facilities" as hereinafter set forth in Rule No. 27, and/or a "New Subdivision Extension Deposit Agreement for On Site Facilities" as hereinafter set forth in Rule No. 28, which Agreements shall be entered into upon the following bases:

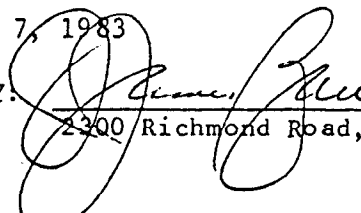
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: 

EFFECTIVE: May 1, 1967

ISSUED: March 7, 1983

ISSUED BY:  J. James Barr, President
2200 Richmond Road, Lexington, Kentucky

26. MAIN EXTENSIONS, NEW SUBDIVISION (Cont'd.)

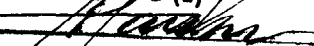
(1) Company shall have the exclusive right to determine the type, location and size of mains to be installed and of the related facilities required to render adequate service.

(2) The owner of the new subdivision may elect to develop it in sections or units and to have main extensions made into such sections or units from time to time as the same are ready for development and may elect further to have the entire subdivision considered as a whole for the purpose of making deposits and receiving refunds for off site facilities under Company rules 26-27. In such event, owners shall furnish Company with preliminary or final plats of the unit or units thereof to be initially developed, such plats to be approved as hereinafter provided, such plats to be so furnished prior to the making of any extensions into said new Subdivision. As subsequent units of said subdivision are thereafter developed, preliminary or final plats so approved thereof shall be furnished to Company as hereinafter provided.

Upon delivery to Company by the owner of such subdivision of five (5) copies of a preliminary or final plat of the subdivision or units thereof, duly approved by the Lexington-Fayette County Planning and Zoning Commission, which plats shall depict the location and grade of all streets, sidewalks, building plots, building lines and utility easements contained therein, together with evidence of the owner's authority to construct streets, sidewalks, curbs and other improvements therein, Company shall prepare appropriate plans and specifications for the installation of necessary mains and related facilities to render adequate service therein, including where applicable, such off site facilities as are deemed necessary.

(2) Separate Extension Deposit Agreements, in the form provided in Rules 27 and 28, shall be entered into by the subdivider and Company for off site facilities and for each separate unit in which on site facilities are requested, provided, moreover, that the ten (10) year refund period applicable in such agreements shall apply separately to each such transaction.

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

26. MAIN EXTENSIONS, NEW SUBDIVISION (Cont'd.)

(3) When plans and specifications for installation of such mains and related facilities are completed, Company shall determine the "presumed cost" of construction and installation of such mains and related facilities which presumed cost shall be the aggregate of (1) the total number of feet of each size and grade of main required in such construction multiplied, respectively, by Company's current estimated cost for each such size and grade of main, and (2) the total cost of installation of all related facilities required in such construction as determined by Company's current estimated cost for each of such facilities. In absence of actual cost data upon which to prepare a current estimated cost for any particular required related facility or size and grade of main, the "presumed cost" thereof shall be the best estimate of Company with respect to the cost of such mains or related facilities based on available information with respect to same. In making such determinations of presumed cost of construction, Company shall separately compute the cost of installation and construction of on site mains and facilities required and the cost of off site mains and facilities required.

(4) When such determination of presumed cost of on site mains and facilities and presumed cost of off site mains and facilities required has been completed, the sums to be deposited by the owner of such subdivision with Company under the terms of the "New Subdivision Extension Deposit Agreement for On Site Facilities" and the "New Subdivision Extension Deposit Agreement for Off Site Facilities" if applicable, shall be determined by Company and shall be (1) the total presumed cost of all on site mains and related facilities of the new subdivision or any part thereof to be constructed as determined as herein provided, and (2) (a) the presumed cost of ten (10) feet of off side mains and facilities multiplied by the total number of building plots shown on and included within the whole of said new subdivision or (2) (b) the presumed cost of all required off site facilities, whichever be the smaller sum. The presumed cost per foot of off site mains

PUBLIC SERVICE COMMISSION
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FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

26. MAIN EXTENSIONS, NEW SUBDIVISIONS (Cont'd.)

and facilities as used in this computation shall be determined by dividing the total presumed cost of all off site mains and related facilities by the total footage of such off site mains. In the event it is necessary to construct off site mains for a distance in feet greater than ten (10) times the number of building plots included within the whole of said subdivision as depicted on the submitted plat thereof, such excess off site extension will not be made under the "New Subdivision Extension Deposit Agreement for Off Site Facilities", but shall be made under an Extension Deposit Agreement as provided in Section 25 of these Rules and Regulations.

- (5) For each premises served for which a street service connection shall be directly attached to such main extension between its original beginning and original terminus, excluding connections to further extensions or branches thereof, and crediting no more than one such service connection per building plot, Company shall refund to the owner of such subdivision under terms and provisions of New Subdivision Extension Deposit Agreements separately executed each for on site and off site improvements, amounts determined as follows:

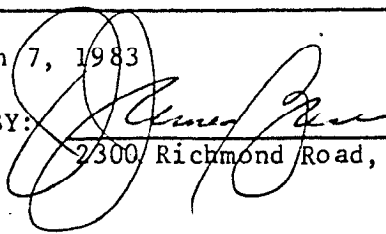
- (A) For on site facilities, the quotient obtained by dividing the total presumed cost of all on site mains and related facilities, determined as provided in Section b(4) above for that part of the new subdivision then to be developed, by the total number of lots, determined as provided in Section a (2) herein, which will be served by the on site facilities then to be developed and as shown on the preliminary or final plat of the part of the subdivision to be developed.
- (B) For off site facilities, the quotient obtained by dividing the deposit for off site facilities, determined as provided in Section b (4) above, by the total number of building plots shown on and included within the whole of said subdivision as shown on the preliminary or final plat of the whole subdivision delivered to Company as provided in Section 25 above.

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

ISSUED: March 7, 1983

EFFECTIVE: March 7, 1983

ISSUED BY:  J. James Barr, President
2300, Richmond Road, Lexington, Kentucky

26. MAIN EXTENSIONS, NEW SUBDIVISIONS (Cont'd.)

- (6) The owner of such subdivision, in consideration of an accelerated development of said subdivision to be obtained through Company's proceeding, on the basis of a preliminary plat, with its plans and specifications and, at Company's option, with construction of its mains and facilities, shall, as a part of the New Subdivision Extension Deposit Agreements for both Off Site and On Site Facilities, warrant to Company that the location and grade of streets, curbs, sidewalks, building plots, building lines and utility easements as depicted on said preliminary plat will not be altered or changed in any respect in the final plat of said subdivision or part thereof, as finally approved by the Lexington-Fayette County Planning and Zoning Commission and recorded in the Office of the Clerk of the Fayette County Court. In the event the location or grade of streets, sidewalks, curbs, building plots, building lines or utility easements be altered, amended or changed in the final plat or in an amended plat of said subdivision or part thereof as approved by said Commission or as recorded in the office of said Clerk, whether such changes are made with or without the consent of said subdivider, and in event such alteration, amendment or change requires, in the sole judgment of Company, the relocation, removal, replacement, reconstruction, change in site or additions to the mains and related facilities, the subdivider shall indemnify and hold harmless Company of and from any and all damages and costs of such removal, replacement, relocation, reconstruction and any all other expenses or costs resulting to Company because of the change of location or grade of streets, curbs, sidewalks, lots, building lines or utility easements in said subdivision or part thereof.
- (c) This rule shall be effective as of January 1, 1966. Company shall, upon written request of any owner of a new subdivision, with whom a contract has been entered into under Rule 25 after January 1, 1966, made within thirty (30) days after effective date of these rules, reexecute such agreements under terms of Rules 26, 27 and 28.

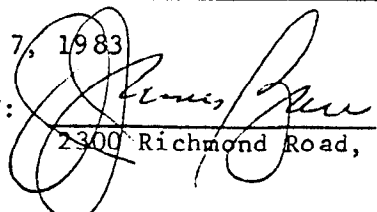
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

27. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR OFF SITE FACILITIES

THIS AGREEMENT, entered into this _____ day of _____, 19____, by and between KENTUCKY-AMERICAN WATER COMPANY, a Kentucky corporation, having its office at 2300 Richmond Road, Lexington, Kentucky, hereinafter called the "Company," and _____, hereinafter called the "SUBDIVIDER,"

W I T N E S S E T H:

THAT, WHEREAS, the SUBDIVIDER is the present owner of a certain tract of and located with the service area of COMPANY, which tract is now being developed by SUBDIVIDER as a new subdivision (hereinafter sometimes called the "subdivision"), and

WHEREAS, the Lexington-Fayette County Planning and Zoning Commission has heretofore approved a preliminary or final plat of said proposed subdivision, upon which plat the location and grade of streets, curbs sidewalks, building plots, building lines and utility easements are depicted, a copy of which plat is annexed hereto and made a part hereof, marked Exhibit "B" for identification, and

WHEREAS, the SUBDIVIDER desires the extension of the off site water mains and facilities of COMPANY to said subdivision as hereinafter described.

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto as hereinafter set forth, it is hereby agreed by and between the parties hereto as follows, to-wit:

FIRST: The COMPANY contracts and agrees to lay the water main(s) and other related facilities, if any, as shown in red on the drawing attached hereto and made a part hereof, marked Exhibit "A" for identification, which main(s) and facilities, if any, are described and located as follows:

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

27. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR OFF SITE FACILITIES (Cont'd.)

SECOND: It is expressly understood and agreed that if COMPANY shall be delayed or prevented from installing the water main(s) and other related facilities, if any, hereinabove described because of its failure to secure pipe or other construction materials, or for any other cause beyond its control, such failure or delay in performance shall be excused; provided, however, if such failure or delay in performance shall extend for a period for more than ninety (90) days from receipt of deposit, SUBDIVIDER shall have the right to cancel and terminate this agreement on thirty (30) days' written notice to the COMPANY, and thereafter both parties shall be relieved of all duties and obligations arising hereunder. But this right to cancel and terminate by SUBDIVIDER shall not be invoked if COMPANY has received the construction material and SUBDIVIDER has made the deposit as hereinafter required, in which event COMPANY shall have the obligation to prosecute the work diligently to its completion.

THIRD: The SUBDIVIDER hereby agrees to deposit with COMPANY, upon notice from COMPANY that it is prepared and able to go forward with the work provided in Paragraph FIRST hereof, the sum of _____ (\$ _____) Dollars, which sum is the presumed cost of installation of said off site main(s) and related facilities, if any, as determined under Section b (4) of Rule 26 of COMPANY'S Rules and Regulations. No adjustment in deposit will be made, either by way of adding to or reducing the deposit required hereunder, because of a variance between the presumed cost mentioned herein and the actual cost of installation of such main(s) and related facilities, if any.

FOURTH: SUBDIVIDER represents to and covenants with COMPANY that the number of residential and/or commercial building plots to be developed within the whole of said subdivision, as shown on the plat attached hereto as Exhibit "B", being a total of _____ (_____) building plots, will not be decreased in the final plats of said subdivision as the same are hereafter recorded in the office of the Clerk of the Fayette County Court. Upon such representation and covenant, COMPANY

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

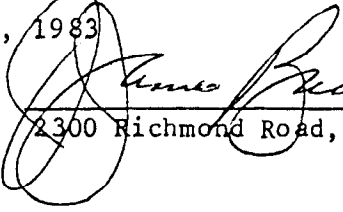
FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

27. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR OFF SITE FACILITIES (Cont'd.)

hereby agrees to refund to SUBDIVIDER during the period of ten (10) years from actual date of deposit, an amount equal to _____ of the total deposit made by SUBDIVIDER under the terms of Paragraph THIRD above, being the sum of (\$ _____)

Dollars for each premises served within said subdivision (as said subdivision is depicted on the plat attached hereto and marked Exhibit "B" for identification) for which a street service connection shall be directly attached to the mains constructed on the site of such subdivision between their original beginnings and original termini (not including, however, connections to further extensions or branches thereof and being limited to one such service connection per building plot) and for which a bona fide residential or commercial customer has executed a service contract with COMPANY, provided, however, that the total amount returned shall not exceed the original deposit, without interest, and that all or any part of the deposit not refunded within said ten (10) year period shall become the property of COMPANY.

FIFTH: The SUBDIVIDER may request refunds under Paragraph FOURTH, once in each calendar quarter, furnishing the COMPANY, at such time a listing of premises claimed to be additional premises; however, failure on the part of the SUBDIVIDER to make such request shall not constitute a waiver of any rights hereunder to relieve the COMPANY of the obligation to make refunds with reasonable promptness.

SIXTH: SUBDIVIDER will furnish to COMPANY immediately upon recordation thereof in the office of the Clerk of the Fayette County Court five (5) copies of the final plat of said subdivision or units thereof as approved by the Lexington-Fayette County Planning and Zoning Commission.

SEVENTH: The ownership of the water main(s) laid hereunder shall at all times be in the COMPANY, its successors and assigns.

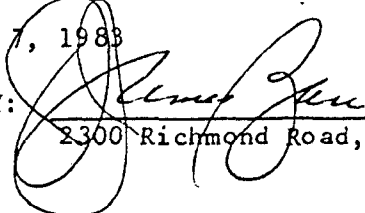
EIGHTH: This agreement shall be valid and binding on the COMPANY only when executed by its President or Vice President. PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

27. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR OFF SITE FACILITIES (Cont'd.)

NINTH: This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties.

TENTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to COMPANY at 2300 Richmond Road, Lexington, Kentucky, and to SUBDIVIDER at _____

(address of SUBDIVIDER)

ELEVENTH: This agreement is entered into pursuant to the legally established Rules and Regulations of the Company and the words, phrases and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations which are hereby incorporated herein by reference.

Executed by the parties hereto in triplicate this the day and year first above written.

WITNESSED:

KENTUCKY-AMERICAN WATER COMPANY

By _____

Vice President

WITNESSED:

28. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR ON SITE FACILITIES:

THIS AGREEMENT, entered into this ____ day of _____, 19__, by and between KENTUCKY-AMERICAN WATER COMPANY, a Kentucky corporation, having its office at 2300 Richmond Road, Kentucky, hereinafter called the "SUBDIVIDER,"

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: _____

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY: _____

J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

28. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR ON SITE
FACILITIES (Cont'd)W I T N E S S E T H:

THAT, WHEREAS, the SUBDIVIDER is the present owner of a certain tract of land located within the service area of COMPANY, which tract is now being developed by SUBDIVIDER as a new subdivision or unit thereof (hereinafter called the subdivision), and

WHEREAS, the Lexington-Fayette County Planning and Zoning Commission has heretofore approved a preliminary or final plat of said proposed subdivision, upon which plat the location and grade of streets, curbs, sidewalks, building plots, building lines and utility easements are depicted, a copy of which plat is annexed hereto and made a part hereof, marked Exhibit "A" for identification, and

WHEREAS, the SUBDIVIDER desires the extension of the water mains and facilities of COMPANY on the site of said subdivision as hereinafter described.

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto as hereinafter set forth, it is hereby agreed by and between the parties hereto as follows, to-wit:

FIRST: The COMPANY contracts and agrees to lay the water main(s) and other related facilities, if any, as shown in red on the plat attached hereto and made a part hereof, marked Exhibit "A" for identification, which main(s) and facilities, if any, are described and located as follows:

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

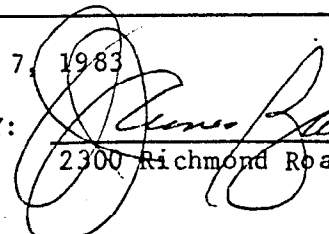
FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

28. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR ON SITE
FACILITIES (Cont'd)

SECOND: It is expressly understood and agreed that if COMPANY shall be delayed or prevented from installing the water main(s) and other related facilities, if any, hereinabove described because of its failure to secure pipe or other construction materials, or for any other causes beyond its control, such failure or delay in performance shall be excused; provided however, if such failure or delay in performance shall extend for a period of more than ninety (90) days from date of deposit, SUBDIVIDER shall have the right to cancel and terminate this agreement on thirty (30) days' written notice to the COMPANY, and thereafter both parties shall be relieved of all duties and obligations arising hereunder. But this right to cancel and terminate by SUBDIVIDER shall not be invoked if COMPANY has received the construction material and SUBDIVIDER has made the deposit as hereinafter required, in which event COMPANY shall have the obligation to prosecute the work diligently to its completion.

THIRD: The SUBDIVIDER hereby agrees to deposit with COMPANY, upon notice from COMPANY that it is prepared and able to go forward with the work provided in Paragraph FIRST hereof, the sum of

(\$ _____)

Dollars, which sum is the presumed cost of installation of said on site main(s) and related facilities, if any, as determined under Section b (4) of Rule 26 of COMPANY'S Rules and Regulations. No adjustment in deposit will be made, either by way of adding to or reducing the deposit required hereunder, because of a variance between the presumed cost mentioned herein and the actual cost of installation of such main(s) and related facilities, if any.

FOURTH: SUBDIVIDER represents to and covenants with COMPANY that the number of residential and/or commercial building plots to be developed within said subdivision, as shown on the plat attached hereto as Exhibit "A", being a total of

(_____) building plots, which, according to Section a (2) of Rule 26 of Company's Rules and Regulations is equal to

(_____) lots, will not be decreased in the final plat of said subdivision as the same is

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: _____

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY: _____

J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

28. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR ON SITE
FACILITIES (Cont'.d)

hereafter recorded in the office of the Clerk of the Fayette County Court. Upon such representation and covenant, COMPANY hereby agrees to refund to SUBDIVIDER during the period of ten (10) years from actual date of deposit, an amount equal to _____ of the total deposit made by SUBDIVIDER under the terms of Paragraph THIRD above, being the sum of _____ (\$ _____) Dollars, for each premises served within said subdivision (as said subdivision is depicted on Exhibit "A" attached hereto) for which a street service connection shall be directly attached at the main extension herein provided between its original beginning and original terminus (not including, however, connections to further extensions or branches thereof, and being limited to one such service connection per building plot) and for which a bona fide residential or commercial customer has executed a service contract with COMPANY, provided, however, that the total amount returned shall not exceed the original deposit, without interest, and that all or any part of the deposit not refunded within said ten (10) year period shall become the property of COMPANY.

FIFTH: The SUBDIVIDER may request refunds under Paragraph FOURTH, once in each calendar quarter, furnishing the COMPANY, at such time, a listing of premises claimed to be additional premises; however, failure on the part of the SUBDIVIDER to make such request shall not constitute a waiver of any rights hereunder or relieve COMPANY of the obligation to make refunds with reasonable promptness.

SIXTH: As a material consideration for COMPANY'S agreement to design and construct all or some portion of the main(s) and related facilities, if any, described on Exhibit "A" and in Paragraph FIRST hereof on the basis of a preliminary plat of said subdivision, without withholding or delaying such action until a final plat thereof has been approved by the Planning and Zoning Commission and recorded in the office of the Clerk of the Fayette County Court, SUBDIVIDER represents to COMPANY and covenants with COMPANY that the location and grade of streets, sidewalks, curbs, building plots, building lines and utility easements as depicted on the preliminary plat attached hereto as EXHIBIT "A" will not be altered by the

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: _____

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY: _____

J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

28. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR ON SITE
FACILITIES (Cont'd.)

any respect in the final plat of said subdivision, as finally approved by the Lexington-Fayette County Planning and Zoning Commission and as recorded in the office of the Clerk of the Fayette County Court. In the event the location or grade of streets, sidewalks, curbs, building plots, building lines or utility easements be altered, amended or changed in the final plat or in an amended plat of said subdivision as approved by said Commission or as recorded in the office of said Clerk, whether such changes are made with or without the consent of SUBDIVIDER, or in the event a final plat is not approved or recorded, and in event such alteration, amendment, change, failure of approval or recording requires, in the sole judgment of COMPANY, the relocation, removal, replacement, reconstruction, change in size or addition to the main(s) and related facilities to be constructed by COMPANY pursuant to this Agreement, SUBDIVIDER will immediately, upon demand from COMPANY, pay to COMPANY the actual cost to COMPANY of making such relocations, removals, replacements, changes in sizes and additions to such main(s) and related facilities, if any, so required in the sole judgment of COMPANY, as a result of such changes in location or grade of streets, sidewalks, curbs, building plots, building lines or utility easements. No part of the sums payable to COMPANY by SUBDIVIDER under the terms and provisions of this Paragraph SIXTH shall be subject to refund to SUBDIVIDER. In event SUBDIVIDER fails to pay to COMPANY such sums as may be demanded by COMPANY under provisions of this Paragraph SIXTH within ten (10) days from such demand, COMPANY shall have the right, in addition to and not in limitation of all other remedies, which right shall be superior to the rights of any intervening assignee or creditor of SUBDIVIDER, to apply refunds coming due under Paragraph FOURTH of this Agreement to the reduction and extinguishment of the debt of SUBDIVIDER to COMPANY under terms of this Paragraph SIXTH.

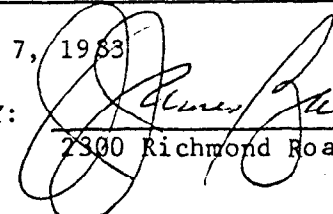
SEVENTH: By execution of this Agreement, SUBDIVIDER grants unto COMPANY, its successors and assigns, the permanent right and privilege to lay and construct its main(s) and related facilities, if any, on, over and thorough the lands of SUBDIVIDER at the locations depicted on Exhibit "A" and described in ~~the~~ PUBLIC SERVICE COMMISSION OF KENTUCKY ~~above~~, together with the right to enter upon the adjacent lands of SUBDIVIDER for the purpose of installing, construction, ~~re~~ EFFECTIVE renewing, replacing and inspecting such main(s) and related facilities, if any.

FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

28. FORM OF NEW SUBDIVISION EXTENSION DEPOSIT AGREEMENT FOR ON SITE
FACILITIES (Cont'd.)

EIGHTH: SUBDIVIDER will furnish to COMPANY immediately upon recordation thereof in the office of the Clerk of the Fayette County Court five (5) copies of the final plat of said subdivision as approved by the Lexington-Fayette County Planning and Zoning Commission.

NINTH: The ownership of the water main(s) laid hereunder shall at all times be in the COMPANY, its successors and assigns.

TENTH: This agreement shall be valid and binding on the COMPANY only when executed by its President or a Vice President.

ELEVENTH: This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties.

TWLEFTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to COMPANY at 2300 Richmond Road, Lexington, Kentucky and to SUBDIVIDER at _____

(address of SUBDIVIDER)

THIRTEENTH: This agreement is entered into pursuant to the legally established Rules and Regulations of the COMPANY and the works, phrases and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations, which are hereby incorporated herein by reference.

Executed by the parties hereto in triplicate this the day and year first above written.

WITNESSED:

KENTUCKY-AMERICAN WATER COMPANY

By _____

Vice President

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

WITNESSED:

FEB 17 1983

PURSUANT TO 807 KAR 8:011,
SECTION 9 (1)

BY: _____

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY: _____

J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

29. PUBLIC FIRE HYDRANTS

- (a) No person, except for the legitimate purpose of extinguishing fires or for other purposes herein provided, shall open any fire hydrant without the consent of the Company.
- (b) During freezing weather, the City shall notify the Company after it has opened any hydrant.
- (c) Any expenses for repairs caused by the negligence of the employees of the municipality or by members of the fire department shall be paid for by the municipality.
- (d) The use of fire hydrants will be restricted to the taking of water for the extinguishing of fires, and water shall not be taken from any fire hydrant for construction purposes, sprinkling streets, flushing trenches, sewers or gutters or for any other use, unless specifically permitted by the Company for the particular time and occasion.
- (e) Inspections and tests of public fire hydrants will be made by the Company at convenient times and reasonable intervals.
- (f) Whenever a change in location, size or type of a fire hydrant is ordered, requested, or made necessary due to change in line or grade of any roadway, curb or walk, said change will be made by the Company at the expense of the municipality or other party ordering, requesting, or making necessary such change.

30. INTERRUPTIONS IN WATER SUPPLY

- (a) The Company may at any time shut off the water in the mains in case of accident, or for the purpose of making connections, alterations, repairs, changes, or for other reasons, and may restrict the use of water to serve a sufficient supply in its reservoirs for public fire service or other emergencies whenever the public welfare may require it.

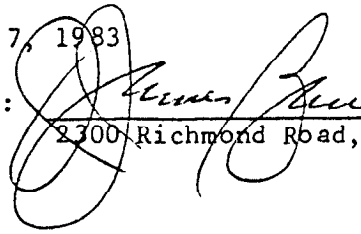
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

30. INTERRUPTIONS IN WATER SUPPLY (Cont'd.)

- (b) The temporary shutting off of water from any premises for any cause, whether non-payment of bills, leaking pipes, fixtures, etc. shall not cancel a contract for water supply service except at the option of the Company or upon notice from the Customer.

31. LIABILITY OF COMPANY

- (a) The Company shall not in any way or under any circumstances be held liable or responsible to any person or persons for any loss or damage from any excess or deficiency in the pressure, volume, or supply of water, due to any cause whatsoever. The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in the service, but it cannot and does not guarantee that such will not occur.
- (b) The Company will make every effort to maintain a pressure on the distribution system that is required for reasonable service, but it does not guarantee to furnish at all times any given quantity for fire uses or for general purposes.
- (c) The Company shall not be responsible for accidents or damages to boilers, hot water tanks, etc., resulting from the discontinuance of service, nor by reason of the breaking of any main, water pipe, fixture or appliance whether owned by the company or Customer, and no person shall be entitled to damages nor have any portion of a payment refunded for any interruption of service. The Company will exercise every care in this matter, and in the event of the necessity of turning off water, every reasonable effort will be made to notify the Customer.
- (d) The Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fire or to protect any persons or property against loss or damage by fire, or otherwise. The Company agrees to furnish such supply of water as shall then be available and not other or greater, and it shall be free and exempt from any and all claims for damages on account of any injury to property or persons by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 17 1983

PURSUANT TO KAR 5:011,
SECTION 9 (1)BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

32. GENERAL

- (a) No person shall turn the water on or off at any street valve, corporation cock, curb cock or other street connection, or disconnect or remove any meter without the consent of the Company. Penalties provided by law for any such action will be rigidly enforced.
- (b) No employee or agent of the Company shall have the right or authority to bind it by any promise, agreement or representation contrary to the letter or intent of these Rules and Regulations.
- (c) Any complaint against the service or employees of the Company should be made at the office of the Company and preferably in writing.

33. APPROVAL OF THE RULES AND REGULATIONS

All Rules and Regulations of the Company are subject to the approval of the Public Service Commission of the State of Kentucky, or its successor, and if any part thereof should be adjudged to be in violation of any rule or order made by the Commission, then that particular part shall be ineffective but without in any way affecting the other portions thereof.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

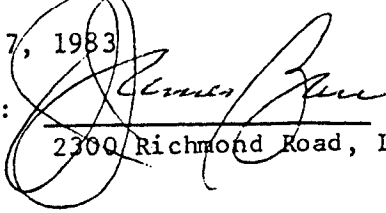
FEB 17 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: 

ISSUED: March 7, 1983

EFFECTIVE: May 1, 1967

ISSUED BY:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

(N) 34. RATES, RULES AND REGULATIONS FOR FURNISHING SEWER SERVICE AT ROCKWELL VILLAGE MOBILE HOMEPARK (Continued)

This schedule of rules and regulations governs the furnishing of sewer service by Kentucky-American Water Company, hereinafter referred to as Kentucky-American, and applies to all service received from Kentucky-American. No employee or individual director of Kentucky-American is permitted to make an exception to rates, rules or regulations. All rules and regulations are to be in effect so long as they are not in conflict with Public Service Commission rules and regulations. Kentucky-American is further subject to all rules and regulations of the Public Service Commission even though not contained herein.

- (a) REVISIONS. These rules and regulations may be revised, amended, supplemented or otherwise changed from time to time subject to approval of the Public Service Commission, and shall have the same force as the present regulations.
- (b) SERVICE AREA. Kentucky-American furnishes sewer service to Rockwell Village Subdivision and the adjoining Industrial Park in western Clark County, Kentucky.
- (c) AVAILABILITY. Sewer service is available to any domestic consumer in the Rockwell Village Subdivision provided that the connection of any additional consumer does not exceed the capacity of the plant. PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE JANUARY 1, 1998
- (d) NOTICE OR TROUBLE. The consumer shall give immediate notice to Kentucky-American of any irregularities or unsatisfactory service and of any violations to the consumer. JANUARY 1, 1998
- (e) LINE RELOCATIONS. When necessary to move or relocate facilities, the cost will be paid by the party or parties requesting such relocation. PURSUANT TO 807 KAR 5:011, EFFECTIVE JANUARY 1, 1998 BY: Stephan D. Bell SECRETARY OF THE COMMISSION
- (f) BILLING, COLLECTION AND PENALTY. Bills for sewer service furnished by Kentucky-American will be mailed no later than the 5th day of each month and will be due and payable within 15 days after the billing date. A 10% late payment penalty charge will be applicable after the due date of any account.

(N) Indicates new Tariff.

ISSUED: January 26, 1998

EFFECTIVE: January 1, 1998

ISSUED BY:

Coleman D. Bush
Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
Address

- (N) 34. RATES, RULES AND REGULATIONS FOR FURNISHING SEWER SERVICE AT ROCKWELL VILLAGE MOBILE HOMEPARK (Continued)
- (g) NEGLIGENT BREAKAGE OF LINE. If any customer, his employee, or agent, or any contractor at the direction of a customer, breaks a sewer collection line owned and maintained by Kentucky-American, the customer shall pay the actual cost of repairing or replacing the line and restoring it to its original condition.
- (h) RETURNED CHECKS. Any check or other bank draft returned to Kentucky-American for nonsufficient funds, no funds, stop payment order, or any other reason, will cause the customer to be charged a fee of \$10.00 for each such check returned.
- (i) CONTINUITY OF SERVICE. Kentucky-American will make all reasonable efforts to prevent interruption of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and general public. Whenever Kentucky-American finds it necessary to schedule an interruption of its service it will notify all customers to be affected of the times and anticipated duration of the interruption.
- (j) CUSTOMER SERVICE LINE. The customer shall install and maintain his service lateral from main collection line to premises served. It shall be constructed of materials approved by the sewer utility and installed per utility specification. Customer service lines must comply with Division of Water requirements and regulations for separation of potable water and wastewater lines.
- (k) MAIN COLLECTION LINES. Kentucky-American shall maintain main sewer lines lying under public roads and streets and lying within described easements.
- (l) LIMITATION OF SERVICE. Kentucky-American will not accept for treatment or disposal any material except sewage as defined by KAR 5:071, Section 2(7).
- (m) RATES. A schedule of approved rates, rules and regulations will be available to any customer, or prospective customer of Kentucky-American upon request.

(N) Indicates new Tariff.

ISSUED: January 26, 1998

EFFECTIVE: January 1, 1998

ISSUED BY:


Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
Address

RATES FOR FURNISHING SEWER SERVICE AT ROCKWELL VILLAGE MOBILE
HOMEPARK (Continued)

CLASSIFICATION OF SERVICE

(N) LATE CHARGES:

A ten percent (10%) late penalty charge will be applicable after the due date of any account.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 01 1998

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D. Bell
CLERK OF THE COMMISSION

(N) Indicates new Tariff.

ISSUED: January 26, 1998

EFFECTIVE: January 1, 1998

ISSUED BY:

Coleman D. Bush
Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
Address

RATES FOR FURNISHING SEWER SERVICE AT ROCKWELL VILLAGE MOBILE
HOMEPARK (Continued)

CLASSIFICATION OF SERVICE

(N)	SEWER SERVICE	RATE PER UNIT
	First 12,000 gallons of water (Actual usage in gallons divided by 12,000 gallons multiplied by \$20.75)	\$20.75 per residential equivalent

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 01 1998

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

(N) Indicates new Tariff.

ISSUED: January 26, 1998

EFFECTIVE: January 1, 1998

ISSUED BY: Coleman D. Bush
Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
Address

CLASSIFICATION OF SERVICE
SERVICE CLASSIFICATION NO. 1

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority metered Service.

Meter Rates

The following shall be the rates for consumption, in addition to the service charges provided for herein:

	Customer Category	Rate Per 1,000 Gallons All Consumption	Rate Per 100 Cubic Feet All Consumption
(I)	Residential	\$2.23441	\$1.67581
(I)	Commercial	2.06898	1.55174
(I)	Industrial	1.68828	1.26621
(I)	Municipal & Other		
	Public Authority	1.98196	1.48647
(I)	Sales for Resale	1.98196	1.48647

Service Charges

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

	Size of Meter	Service Charge Per Month
(I)	5/8"	\$7.31
(I)	3/4"	10.97
(I)	1"	18.28
(I)	1-1/2"	36.55
(I)	2"	58.48
(I)	3"	109.65
(I)	4"	182.75
(I)	6"	365.50
(I)	8"	584.80

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 09 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

(I) Indicates Increase

ISSUED: May 25, 2001

EFFECTIVE: May 9, 2001

ISSUED BY:

Michael A. Miller
MICHAEL A. MILLER
VICE-PRESIDENT & TREASURER

2300 Richmond Road, Lexington, KY 40502
Address

Issued by authority of an Order of the Public Service Commission, Case No. 2000-120, dated May 9, 2001.

CLASSIFICATION OF SERVICE

SERVICE CLASSIFICATION NO. 2

Deleted

(See Service Classification No. 1)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DEC 20 1983

PURSUANT TO 807 KAR 5:011,

SECTION 9(1)
BY: 

Issued: December 29, 1983

Effective: December 20, 1983

Issued by:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

CLASSIFICATION OF SERVICE
SERVICE CLASSIFICATION NO. 3

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates

	<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
(I)	2" Diameter	\$4.00	\$48.00
(I)	4" Diameter	16.00	192.00
(I)	6" Diameter	35.96	431.52
(I)	8" Diameter	63.92	767.04
(I)	10" Diameter	99.88	1,198.56
(I)	12" Diameter	143.85	1,726.20
(I)	14" Diameter	195.82	2,349.84
(I)	16" Diameter	255.70	3,068.40

Special Provisions

No charge shall be made for water used in extinguishing accidental fires or for Underwriters' tests, and water shall not be drawn from a private fire service connection for any other purpose.

(I) INDICATES INCREASE

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 30 1997

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: Stephen D. Bell
PUBLIC SERVICE COMMISSION

ISSUED: OCTOBER 10, 1997

EFFECTIVE: SEPTEMBER 30, 1997

ISSUED BY: Robert J. Gallo
ROBERT J. GALLO, PRESIDENT

2300 RICHMOND ROAD, LEXINGTON, KY 40502
ADDRESS

(N) TAPPING FEES

(N) Applicable

(N) Applicable to the entire Service Territory of Kentucky-American Water Company.

(N) Availability of Service

(N) Available for residential, commercial, industrial, other public authority and sales for resale customers.

(N) Tapping (Connection) Fees

Size of Meter Connected

(N)	5/8-Inch	\$ 440.00
(N)	1-Inch	765.00
(N)	2-Inch	3,175.00
(N)	Service larger than 2"	Actual Cost

(N) For services greater than 2", a cost-adjustable deposit is required upon application. The tapping fee will
(N) be required upon application for all services installed on or after the effective date of this tariff, except
(N) in cases where a complete application for service (including plumbing inspection) is on file with the
(N) Company prior to the effective date of this tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 09 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

(N) Indicates new rate and/or text

ISSUED: May 25, 2001

EFFECTIVE: May 9, 2001

ISSUED BY: Michael A. Miller
MICHAEL A. MILLER
VICE-PRESIDENT & TREASURER

2300 Richmond Road, Lexington, KY 40502
Address

Issued by authority of an Order of the Public Service Commission, Case No. 2000-120, dated May 9, 2001.

CLASSIFICATION OF SERVICE
SERVICE CLASSIFICATION NO. 4

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates For Public Fire Service

	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
(1) For each public fire hydrant contracted for or ordered by Urban County, County, State or Federal Governmental Agencies or Institutions.	\$23.96	\$287.52

Rates For Private Service

(1) For each private fire hydrant contracted for by Industries or Private Institutions	\$35.96	\$431.52
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(1) INDICATES INCREASE

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 30 1997

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

By: Stephan D. Bell
SECRETARY, PUBLIC SERVICE COMMISSION

ISSUED: OCTOBER 10, 1997

ISSUED BY:

Robert J. Gallo
ROBERT J. GALLO, PRESIDENT

EFFECTIVE: SEPTEMBER 30, 1997

2300 RICHMOND ROAD, LEXINGTON, KY 40502
ADDRESS

CLASSIFICATION OF SERVICE

SERVICE CLASSIFICATION NO. 5

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for Water Used for Building and Construction Purposes.

RATES

Where a meter is installed on a fire hydrant or on a temporary service connection for construction purposes, the minimum payment for water shall be the monthly service charge for general water service, payable in advance based upon the size of the meter installed. If more than one fire hydrant or temporary service connection is used, the service charge is to apply to each such hydrant or temporary service connection so used.

The Company may require an application to be signed and either the service charge paid in advance or, at the option of the Company, a meter deposit made, and the account handled in the same manner as any other metered account. The service charge will not entitle the Customer to any water and all water used shall be billed at the meter rate schedule. In addition to such charges the Customer shall pay all reasonable costs incurred in connection with the installation and removal of the meter.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

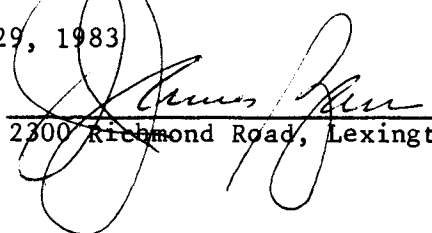
DEC 20 1983

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY 

Issued: December 29, 1983

Effective: December 20, 1983

Issued by:  J. James Barr, President
2300 Richmond Road, Lexington, Kentucky

CLASSIFICATION OF SERVICE

SERVICE CLASSIFICATION NO. 6

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for Residential, Commercial, Industrial, Public Service and Sales for Resale customers.

RATES

There shall be added to the Customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise, fee or other similar fee, charge or tax now or hereafter imposed upon the Company by local taxing authorities or the Kentucky River authority, whether imposed by ordinance, franchise, statute or otherwise, and which fee, tax or charge is based upon Kentucky River water usage or a percentage of the gross receipts, net receipts, or revenues from sales of water or services rendered by the Company to the customer. Where more than one such charge, fee or tax is imposed, the total of such charges, fees or taxes applicable to a Customer may be billed to the customer as a single amount. Charges, fees or taxes herein referred to shall in all instances be billed to the customer as a single amount. Charges, fees or taxes herein referred to shall in all instances be billed to customers on the basis of Company rates or usage effective at the time of billing, and on the basis of the tax rate or usage effective at the time billing is made.

- (N) There shall also be added to the customer's bill, as a separate item, any fee, tax, or charge imposed upon the customer by a municipality or governmental agency, the purpose of which is to allocate among those customers identified by ordinance, franchise, statute or otherwise, the cost of fire hydrants imposed upon the municipality or governmental agency. Failure to pay this charge shall not constitute grounds for termination of service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 01 2000

(N) Indicates new Tariff.

PURSUANT TO 807 KAR 5:011.

SECTION 9 (1)

ISSUED: March 28, 2000

BY: Stephan O. Bell
EFFECTIVE: MAY 1 2000
SECRETARY OF THE COMMISSION

ISSUED BY: Coleman D. Bush
Coleman D. Bush, Vice President & Treasurer

2300 Richmond, Lexington, KY 40502
Address

CLASSIFICATION OF SERVICE
SERVICE CLASSIFICATION NO. 6

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky and contiguous territory thereto.

AVAILABILITY OF SERVICE

- (N) Available for Residential, Commercial, Industrial, Other Public Authority and Sales for Resale customers.

RATES

- (I) (T) The Kentucky River Authority Withdrawal Fee authorized to be imposed upon all customers of Kentucky-American Water Company in accordance with the tariff shown in First Revised Sheet 55 shall be a rate of \$.05530 per 1,000 gallons or \$.04148 per 100 cubic feet.
- (N) Except for rate changes imposed by the Kentucky River Authority, which will be put in effect immediately upon notification of such change by the Kentucky River Authority, this fee will be adjusted annually beginning January, 2002 to reflect any over or under collection of Kentucky River Authority fees existing at the time of the adjustment. No adjustment will be made if the over or under collection is immaterial.
- (N)
- (N)
- (N)
- (N)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 09 2001

- (I) Indicates Increase
(T) Indicates Text Change
(N) Indicates New Rate and/or text

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY Stephan D. Bue
SECRETARY OF THE COMMISSION

ISSUED: May 25, 2001

EFFECTIVE: May 9, 2001

ISSUED BY:

Michael A. Miller

MICHAEL A. MILLER
VICE-PRESIDENT & TREASURER

2300 Richmond Road, Lexington, KY 40502
Address

Issued by authority of an Order of the Public Service Commission, Case No. 2000-120, dated May 9, 2001.

RECONNECTION CHARGE

- (I) When it has been necessary to discontinue water service to any premises because of a violation of the Company's Rules and Regulations on account of nonpayments of any bill for water service, a charge of Twenty-four Dollars (\$24.00) will be made to cover the expense of turning on the water service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 24 1993

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: *Glenn Haller*
PUBLIC SERVICE COMMISSION MANAGER

- (II) INDICATES INCREASE
-

ISSUED: December 15, 1993

EFFECTIVE: August 24, 1993

Issued By: *R. A. Edens*, R. A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

Issued by authority of an Order of the Public Service Commission, Case No. 92-452, dated November 19, 1993.

RETURNED CHECK CHARGE

- (I) In those instances where a customer renders payment to the Company by check which is not honored upon deposit by the Company, the customer will be charged (\$12.00) to cover the processing costs.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 24 1993

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: *Glenn Walker*
PUBLIC SERVICE COMMISSION MANAGER

- (I) INDICATES INCREASE

ISSUED: December 15, 1993

EFFECTIVE: August 24, 1993

Issued By: *R. A. Edens*, R. A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

Issued by authority of an Order of the Public Service Commission, Case No. 92-452, dated November 19, 1993.

KENTUCKY-AMERICAN WATER COMPANY

P.S.C. No. 6
Original Sheet No. 58

INSPECTION OF SERVICE LINE

APPLICABLE: Applicable to the entire service territory of Kentucky-American Water Company where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 10 (3).

AVAILABILITY OF SERVICE:

Inspection of service lines is available to all customers of Kentucky-American Water Company where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 10 (3). The customer shall leave the trench open and the service line uncovered. The service line must be determined to be free from any tee, branch connection, irregularity or defect before service will be initiated.

RATE: The customer shall be charged \$25.00 for each inspection of a service line.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 30 1988

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: *[Signature]*
PUBLIC SERVICE COMMISSION MANAGER

Issued: September 30, 1988

Effective: October 30, 1988

Issued By: *R. A. Edens*, Vice President
Kentucky-American Water Company

Availability of Service

Rate

Bulk Sales Rate	\$.225 per 50 gallons
-----------------	-----------------------

Service taken under this tariff must be prepaid by the customer by inserting the correct change into the vending machine provided or arrangements can be made whereby a customer can be assigned a code number to be input into a keypad each time water is taken. When a code number is assigned, the customer will be billed monthly.

NOV 5 1990

PURSUANT TO 807 KAR 5:011,
SECTION 9(1),

BY: George Allen
PUBLIC SERVICE COMMISSION MANAGER

Effective: November 5, 1990

Issued By: R. A. Edens, R.A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

Issued by authority of an Order of the Public Service Commission
in Case No. 90-149, dated November 5, 1990.

Kentucky-American Water Company

P.S.C. KY. No. 6
First Revised Sheet No. 60
Cancelling Original Sheet No. 60

(D) Surcharge to Recoup Taxes Refunded Per Administrative Case No. 313

(D) INDICATES DISCONTINUED TARIFF

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE


NOV 1 1991

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: 
PUBLIC SERVICE COMMISSION MANAGER

Issued: November 4, 1991

Effective: November 1, 1991

Issued By: , R. A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

CLASSIFICATION OF SERVICE

SERVICE CLASSIFICATION NO. 6

AFTER HOURS
RECONNECTION CHARGE

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for Residential, Commercial, Industrial, Public Service and Sales for Resale customers.

RATES

- (N) When it has been necessary to discontinue water service to any premises because of a violation of the Company's Rules and Regulations on account of nonpayments of any bill for water service, a reconnection charge is made to cover the expense of turning on the water service. If the customer requests this service after the end of the normal service hours, an after hours reconnection charge of Thirty Dollars (\$30.00) will be charged. After hours service charge applies to service requested between 12:00 midnight and 8:00 a.m. daily, Monday through Saturday, and after 4:00 p.m. on Saturday through 8:00 a.m. on Monday.

(N) Indicates new Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

ISSUED: March 1, 1993

EFFECTIVE April 1, 1993

Issued By: R. A. Edens, R. A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Chap. Haller
PUBLIC SERVICE COMMISSION MANAGER

CLASSIFICATION OF SERVICE

SERVICE CLASSIFICATION NO. 6

AFTER HOURS
NEW SERVICE TURN-ON CHARGE

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for Residential, Commercial, Industrial, Public Service and Sales for Resale customers.

RATES

- (N) In accordance with the Company's Rules and Regulations, Original Sheet No. 8, 3(e), in those cases where the Customer requests new service be turned on after regular working hours or on Saturdays, Sundays or holidays, a charge will be made to cover the cost of turning the water service on after normal service hours. The charge for this service will be Twenty-two and 50/100 Dollars (\$22.50). The after hours new service turn-on charge will apply for customers requesting service between the hours of 12:00 midnight and 8:00 a.m. daily, Monday through Saturday, and after 4:00 p.m. on Saturday through 8:00 a.m. on Monday.

(N) Indicates new Tariff.

ISSUED: March 1, 1993

Issued By: R. A. Edens, R. A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

EFFECTIVE: April 1, 1993

APR 1 1993

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Glenn Miller
PUBLIC SERVICE COMMISSION MANAGER

PARTIAL PAYMENT PLANS

(N) A partial payment plan may be negotiated in writing or by phone. The plan will be in the form shown below. If negotiated by phone, on the line for customer's signature, the words "by phone" will be written along with the customer's name and date. A copy will be given to or mailed to the customer. Any outstanding balance must be paid before the next bill is issued.

(N) Account Number _____

Date _____

Address _____

_____ owes Kentucky-American Water Company a bill for water service in the amount of \$_____, which covers the period from _____ to _____, and agrees to pay this bill in full before _____ and further agrees to make the following payments:

Date	Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(N) If payment is not made on the specified date, the water service will be disconnected immediately. In the event service is disconnected, the unpaid balance and a reconnection fee must be paid before service is restored. If more than two extensions for payment are granted in a two-year period, a deposit will be required equal to one and one-third times the estimated average quarterly water bill or two times the estimated average monthly water bill.

Customer's Signature _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Kentucky-American Water Company

(N) Indicates New Tariff

JAN 13 1994

PURSUANT TO 807 KAR 5:011,

SECTION 9 (1)

Issued: December 10, 1993

Effective: January 1, 1994

Issued By: R. A. Edens, R. A. Edens, Vice President
2300 Richmond Road, Lexington, Kentucky

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

(N) Surcharge to Refund Revenue Per Commission Order - Case No. 90-321Metered Service

	Surcharge Rate Per <u>1,000 Gallons</u>	Surcharge Rate Per <u>100 Cubic Feet</u>
For all metered usage	(.00408)	(.00306)

Fire Service

	(.04)	(.12)
Private Fire Service Connections		
<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Surcharge Rate Per Quarter</u>
2" Diameter	\$ (.04)	\$ (.12)
4" Diameter	(.04)	(.12)
6" Diameter	(.04)	(.12)
8" Diameter	(.04)	(.12)
10" Diameter	(.04)	(.12)
12" Diameter	(.04)	(.12)
14" Diameter	(.04)	(.12)
16" Diameter	(.04)	(.12)

Fire Hydrants

Private	\$(.04)	\$(.12)
Public	(.04)	(.12)

Special Provision

The above rates will be in effect from April 1, 1994 through June 30, 1994 and will be applied on bills rendered.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

APR 1 1994

(N) INDICATES NEW TARIFF

Issued: March 25, 1994

PURSUANT TO 807 KAR 5:011,
SECTION 041)

Effective: April 1, 1994

BY: Shirley Hella
PUBLIC SERVICE COMMISSION MANAGER

Issued by: W. D. Morgan, W. D. Morgan, Vice President
2300 Richmond Road, Lexington, Kentucky

KENTUCKY-AMERICAN WATER COMPANY

P.S.C. KY No. 6
Original Sheet No. 64a

- (N) Surcharge to Collect Net Additional Revenues as Per Commission Orders in Case No. 95-554 and Case No. 10069.

	<u>Rate</u>
Surcharge Rate Per Customer Bill	\$.11

Special Provision

The above rates will be in effect from December 1, 1997 through December 31, 1997 and will be applied on bills rendered.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DEC 01 1997

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D. Bell
PUBLIC SERVICE COMMISSION

- (N) INDICATES NEW TARIFF

ISSUED: October 20, 1997

EFFECTIVE: December 1, 1997 through
December 31, 1997

Issued by:

Robert J. Gallo
Robert J. Gallo, President

2300 Richmond Road, Lexington, KY 40502
Address

SERVICE CLASSIFICATION NO. 6
HIDDEN LEAK ADJUSTMENT RATE

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for Residential and Commercial customers.

Rates

- (N) (I) A charge of twenty-five (25) percent of the applicable tariff will be applied to all water usage determined to be the result of a hidden underground leak.

Terms and Conditions

A hidden underground leak is defined as a leak in the customer service line between the meter and the premises. Hidden underground leak adjustments will be granted to residential and commercial customers. The customer must provide a plumber's statement or list of materials showing that the leak has been repaired. After verification of repairs by the Water Company, the bill will be adjusted by comparing the usage during the leak billing period to the average usage for the past six billing periods. A reasonable estimate will be used in cases when six prior periods of information do not exist. The excess usage will be billed at the rate specified above. During the lifetime of a water service line only two leak adjustments will be permitted. Each adjustment may cover a maximum of two billing periods. Before a third adjustment can be considered, the entire water service line from the meter box to the premises must be replaced. Plastic pipe for repair of underground water service lines must be certified to withstand a working pressure of 160 pounds per square inch or greater.

(N) INDICATES NEW RATE AND NEW TEXT

(I) INDICATES INCREASE

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 11 1996

PURSUANT TO 807 KAR 5011,
SECTION 5 (1)

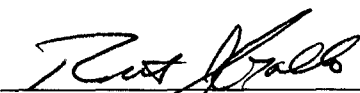
BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

S:\WPFILES\KENTUCKY\95-554\TARIFFS\PROP95.RAT

Issued: September 23, 1996

Effective: September 11, 1996

Issued By:


Robert J. Gallo, President

2300 Richmond Road, Lexington, KY 40502
Address

RECEIVED

JUN 15 2001

PUBLIC SERVICE
COMMISSION

KENTUCKY-AMERICAN WATER COMPANY

DEMAND MANAGEMENT PLAN

June 14, 2001

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
BY: Stephan B. Bell
SECRETARY OF THE COMMISSION

INTRODUCTION

During the summer of 1988, Kentucky-American Water Company (KAWC) experienced its first significant water shortage problem since the drought of 1930. With the assistance of the Lexington-Fayette Urban County Government (LFUCG), KAWC was able to respond quickly and effectively to the increasing urgency of the situation and avoided a potential water shortage emergency. It was realized, however, that a comprehensive demand management plan should be developed; therefore, this integrated plan was prepared. This plan has been periodically reevaluated and updated with respect to system improvements and additional water shortage situations.

KAWC recognizes that a continuous conservation effort is an important component of its planning process. KAWC's planning process integrates traditional supply side planning and management with demand management concepts, including ongoing customer conservation education. It has developed a company policy that supports the belief that it is KAWC's responsibility to exercise leadership in the development of practices that improve water use efficiency. This policy is found in Appendix A.

An ongoing conservation public education program was initiated in 1987. This program includes the distribution of household leak detection kits and retrofit kits, bill inserts, public service announcements, the production of educational videotapes showing how to conserve water, the use of print and electronic media, the distribution of merchandise promoting conservation, the production of educational videotapes and programs for use with schools and civic organizations, the preparation of internet-based conservation information, and other measures.

JUL 15 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

In addition to the public education program, KAWC initiated a number of other conservation efforts. These efforts included: 1) work to change the Kentucky State Plumbing Code, effective April 1988, to require water efficient fixtures in new construction, renovations and replacement in existing structures; 2) the distribution of retrofit kits to customers; 3) implementation of a continuous leak survey which utilizes computerized leak detection equipment; and 4) the sponsorship of a Drought Impact Survey.

KAWC has also integrated water conservation concepts into the long-range planning process. The development of the 1992 Least Cost/Comprehensive Planning Study included a review of demand management alternatives by an outside consultant. The consultant recommended six new measures of potentially cost-efficient conservation. These measures were evaluated through pilot programs and implemented to varying degrees based on customer response. KAWC has made a commitment to ongoing water conservation as an integral part of demand management through a continuous effort to evaluate and implement new ideas in the conservation program.

The Water Shortage Response Program of the Demand Management Plan is similar in structure to the guidelines presented by the Division of Water "Kentucky Water Shortage Response Plan." The actions taken and the knowledge gained during drought were also considered in formulating the process. Specific criteria for each phase were established from the state guidelines provided, customer response from similar steps taken in 1988 and 1999, and historical data on river flow and rainfall. The criteria and guidelines were revised to reflect the impact of the 1999 drought and recent improvements to the Kentucky River dams.

The critical variables that must be monitored include source water supplies, including but not limited to Kentucky River flow at Lock and Dam No. 10, available supply in Jacobson

JUL 15 2001

Reservoir and Ellerslie Reservoir (formerly Reservoirs No. 4 and No. 1), and daily customer demand. The methodology for the evaluation of each variable is provided in the plan appendices. Implementation of each phase of the Water Shortage Response Program is based on specific, critical levels of each phase of the individual variables. In reality, it is likely that a water shortage would develop from a combination of these potential problems; therefore, a careful evaluation of the overall situation and the many variables must be made in the event of a shortage. Specifically, the Kentucky River traditionally has low flows during the fall of almost every year. Customer demand, however, during that time of year is usually less. This program is concerned primarily with periods of abnormal conditions of low flows during summer months of high customer demands. The impact of the Kentucky River Authority's ability to release water and the Division of Water's withdrawal parameters are being integrated into the Plan.

The Water Shortage Response Program also anticipates the unlikely event that equipment failure, natural disaster, lock or dam failure, or other circumstance may arise which is unrelated to weather that could result in an inadequacy of system capacity to meet customer demand. Criteria are established which will enable KAWC to respond quickly and efficiently to such a situation.

The Water Shortage Response Program is intended to be flexible in its application to service areas or portions of service areas that may experience an inadequacy of water supply to meet customer demand. For example, customers served by source water supplies other than the Kentucky River might not necessarily be restricted by the Water Shortage Response Program in conditions of low Kentucky River flow. Similarly, a small portion of the service area that might be affected by mechanical failure or natural disaster may require temporary restriction while the remainder of the service territory might be unaffected. The Plan may be implemented, at the

JUL 15 2001

discretion of management, for the entire service territory or portions of service territory as circumstances may dictate.

The most important part of an effective Water Shortage Response Program, however, will be keeping customers informed at all times. Their awareness and understanding of the situation from the initial stages of concern and continuing through each phase of the Plan is the key to an efficient and adequate response to a water shortage problem. The media has been very cooperative and instrumental in making customer response successful, and its role is an important component of the Demand Management Plan.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

KENTUCKY-AMERICAN WATER COMPANY CONSERVATION PUBLIC EDUCATION PROGRAM

KAWC has routinely practiced in-house conservation techniques and promoted efficient water use to its customers.

An ongoing Conservation Public Education Program was initiated in 1987 which uses consumer education to compliment and reinforce the implementation of other water conservation measures. The conservation efforts in this program include:

1. Plumbing Code Restrictions
2. Retrofit Kits
3. Leak Detection Kits
4. Bill Inserts and Brochures
5. Public Service Announcements
6. Videotapes
7. Print Media Educational Messages
8. Novelties
9. Surveys
10. Billboards
11. Internet Educational Information

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

KAWC continues to develop, evaluate and implement the application of new practices and technologies that improve water use efficiency. KAWC has expanded its in-house leak detection program through the use of computerized leak detection equipment that has resulted in millions of gallons in savings since the program's inception. KAWC has also initiated an aggressive public education campaign promoting efficient water use. This has included

extensive use of public messages on billboards, radio, television, print media, and public transportation.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

KENTUCKY-AMERICAN WATER COMPANY WATER SHORTAGE RESPONSE PROGRAM

KAWC has formulated a local water shortage response program in addition to its ongoing public education and conservation efforts for its service area. This program follows the guidelines as established by the Division of Water in its publication "Kentucky Water Shortage Response Plan."

The Water Shortage Response Program is founded on distinctions between essential and nonessential water use. Guidelines for definition of essential and nonessential uses, derived from the Kentucky Water Shortage Response Plan, can be found in Appendix C. Dependent upon the relative severity of the supply situation, first nonessential and then ultimately essential water use restrictions are implemented in a progressive manner.

The program establishes five stages, after a preliminary watch, with specific criteria for assessing the need to declare each phase and the steps to implement each phase. The key elements of each phase are detailed below.

1. Advisory Phase

- Issue Water Shortage Advisory declaration
- Set conservation goals
- Request voluntary conservation
- Establish Water Shortage Management Awareness Committee
- Customer education regarding target usage goals and water conservation

2. Partial Alert Phase

- Issue Water Shortage Partial Alert declaration
- Set more stringent conservation goals

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

- Mandatory odd/even program for outdoor watering
- Request increased voluntary conservation
- Establish Water Conservation Appeals Board(s)
- Enforce compliance of water use program
- Customer education regarding target usage goals and water conservation

3. Full Alert Phase

- Issue Water Shortage Full Alert declaration
- Set more stringent water conservation goals
- Severely restrict outdoor water use
- Request increased voluntary conservation on indoor use
- Enforce compliance of water use program
- Customer education regarding target usage goals, water conservation, and potential emergency pricing in Water Rationing Phase

4. Emergency Phase

- Issue Water Shortage Emergency declaration
- Set more stringent water conservation goals
- Restrict all water use
- Request voluntary rationing
- Enforce compliance of water use program
- Customer education regarding target usage goals, water conservation, and emergency pricing in Water Rationing Phase

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5. Water Rationing Phase

- Issue Water Shortage Rationing declaration

- Begin mandatory allocation of water
- Notify the Kentucky Public Service Commission (PSC) of the declaration of Water Shortage Rationing and emergency pricing
- Enforce compliance of water use program
- Customer education regarding target usage goals, water conservation, and emergency pricing

There are specific levels of three separate controlling water demand factors that can be used to evaluate the need for each phase. These criteria provide guidelines for assessing the situation. Any combination of these factors, to a more or less stringent degree than established in this program, can signal the need for the consideration of each phase and will be determined at the discretion of KAWC. While these factors are designed to assess conditions for service areas served by Kentucky River, Jacobson Reservoir, and Ellerslie Reservoir source water supplies, similar criteria would be used to assess conditions for service areas served by other source water supplies.

These factors are:

1. Estimated daily flow of the Kentucky River at Lock and Dam No. 10 as measured by the U.S. Geological Survey.
- Estimated remaining reservoir supply, including Jacobson Reservoir (formerly Reservoir No. 4), Ellerslie Reservoir (formerly Reservoir No. 1), and Kentucky River Pool No. 9, based on current and projected pumpage levels.
- Customer demand for water as compared with system capacity, including pumping, treatment, transmission, storage, and distribution capacities.

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Detailed explanations of the assessment of the supply and demand situation for each phase and the methodology for the evaluation of each criterion are included in the following pages. A summary of the program, including the guidelines for implementing each phase and the highlight of its response, can be found on page 11.

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PRELIMINARY WATCH

It is not uncommon to have dry periods during the mid to late summer in the Kentucky River Basin. The Preliminary Watch will begin each summer no later than May 1 to monitor the potential for a water supply shortage. There are three separate criteria used for assessment during a Preliminary Watch:

1. River Flow: KAWC withdrawal demand has reached the level of 5 percent of the flow at Lock and Dam No. 10.
2. Reservoir Supply: Reservoir supply is less than 80 days but more than 60 days left for anticipated demand levels, including transfers from the Kentucky River to Jacobson Reservoir.
3. Customer Demand: (1) Pumpage has exceeded 50 MGD for five consecutive days or (2) the peak hour demand exceeds the rated plant capacity at any time during the day for three consecutive days, or (3) current or projected customer demand similarly exceeds system capacity to deliver.

The Preliminary Watch may also be initiated when the Kentucky Division of Water issues a Water Shortage Watch for the area or if the area is declared to be in a "moderate drought."

A Preliminary Watch is primarily an in-house monitoring that will occur every summer and will continue until heavy rainfall occurs in late fall. The steps to begin a Preliminary Watch will lay the groundwork to initiate the Water Shortage Response Program.

First, the river level and flow will continue to be monitored daily with reservoir capacity and customer demand.

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Additionally, an emphasis will be placed on the ongoing public education of conservation efforts. KAWC will be responsive to the media about the situation and KAWC's precautions; however, no formal public announcements will be initiated by KAWC. Preparation will be made for an intensified public education effort if the situation should worsen.

Should the situation progress to the point of a possible advisory, announcements will be made to all employees to fully advise them of the situation.

The situation will also be brought to the attention of local and state officials, as well as the local KAWC board members. Local KAWC board members will be advised prior to any additional announcements. The LFUCG Mayor, Police Chief, and Fire Chief, County Judge Executives, Kentucky Natural Resources and Environmental Protection Cabinet officials, Public Service Commission, Kentucky River Authority, and other government officials will be kept abreast of developments as may be appropriate.

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WATER SHORTAGE ADVISORY PHASE

A Water Shortage Advisory will be declared when conditions indicate the potential for serious water supply shortage. There are three separate criteria in assessing the need for a Water Shortage Advisory:

1. River Flow: KAWC withdrawal demand has reached the level of 20 percent of the flow estimated at Lock and Dam No. 10 for three consecutive days.
2. Reservoir Supply: The estimated reservoir supply is less than 60 but more than 45 days of supply left for anticipated demand levels, including amounts of water transferred to Jacobson Reservoir from the Kentucky River.
3. Customer Demand: (1) Pumpage exceeds 65 MGD for three consecutive days or (2) current or projected customer demand similarly exceeds system capacity to deliver.

These criteria are guidelines for assessing the need for this phase of response; however, the evaluation of the situation must also include year-to-date rainfall, customer demand, temperature, time of year, forecasted rainfall, and system capacity. **The decision to proceed with this phase will be made only after careful consideration of all factors affecting the water supply, not necessarily when one of the levels of criteria has been initially reached.**

In evaluating the situation, consideration may also be given to the declaration of a Water Shortage Advisory even when any of these criteria to a lesser degree, or any combination of these criteria to a lesser degree, deem a more stringent course of action is necessary. This decision will be made with the input of local government and health officials, as well as state regulatory officials.

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The steps for proceeding with the declaration of a Water Shortage Advisory will be:

1. The President of KAWC, or his representative, will declare a Water Shortage Advisory.
2. In compliance with Ordinance No. 221-2000 of the Lexington-Fayette Urban County Government, the President of KAWC or his representative, will request the LFUCG Mayor, by written certification, to publicly declare a Water Shortage Advisory. The County Judge Executives for each of the other counties served by KAWC will be asked to implement the same restrictions and publicly declare a Water Shortage Advisory for applicable service areas within each county.
3. Customers will be asked to voluntarily conserve outdoor and indoor water usage.
4. A Water Shortage Management Awareness Committee shall be convened.

This committee will consist of, but not be limited to, the following or their designees and will meet regularly for support in implementing decisions and ensure an effective community response:

- The Mayor of Lexington-Fayette Urban County Government
- President of Kentucky-American Water Company
- The LFUCG Commissioner of Public Works
- The Fayette County Coordinator, Disaster and Emergency Services
- The Commissioner of the LFUCG Health Department
- The Fayette County Commonwealth Attorney
- The Lexington Chamber of Commerce President
- Scott County Judge Executive
- Bourbon County Judge Executive

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- Harrison County Judge Executive
- Woodford County Judge Executive
- Jessamine County Judge Executive
- Clark County Judge Executive
- The LFUCG Chief of Police
- The LFUCG Fire Chief
- Vice Mayor of LFUCG

5. The situation will be monitored daily and reevaluated on a weekly basis.
6. KAWC employees will be informed regularly to keep them up-to-date with the situation.
7. Formal news announcements will be made to advise the public of the seriousness of the situation and requests for demand reduction.
8. A conservation goal of reduction of water use shall be established between five and 15 percent. A level of desired maximum demand shall be defined between 57 and 62 MGD.
9. Requests will be made for voluntary participation in the customer odd/even watering program. This program requests that customers limit their outdoor

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watering (including car washing, driveway washing, filling swimming pools, use of and filling of fountains and watering of lawns, bushes and trees) to between 6:00 a.m. and 10:00 a.m. or 6:00 p.m. and 10:00 p.m. on designated days. The designated days are Tuesday, Thursday and Saturday for addresses ending in an odd number, while those ending in an even number will be limited to

Wednesday, Friday and Sunday. No water use for these purposes is requested on Monday.

10. Leak detection and repair by company forces will be considered the top maintenance priority. Response to customer calls for potential leaks shall be the top priority for the KAWC Distribution department. System flushing maintenance will be discontinued, except as necessary for water quality control of new mains.
11. Contact will be established with the U.S. Army Corps of Engineers and steps will be taken to initiate access to drought assistance if the severity of the situation should increase. This contact will help prepare the Corps should the situation worsen and the Governor be needed to ask for releases from upstream reservoirs.
12. Contact will be made to initiate an emergency supply contingency plan for withdrawals from the river if the pool should drop below the intake structure.
13. Ongoing communication concerning the status of the situation will be maintained with local KAWC board members, the Water Shortage Management Awareness Committee, the Kentucky Natural Resources and Environmental Protection Cabinet – Division of Water, the Kentucky Public Service Commission, and the Kentucky River Authority. These officials will be advised prior to any public announcements or requests for phase implementation.
- Other state and local officials will also be kept abreast of the situation. Written notification of the Water Shortage Advisory declaration by KAWC shall be sent to state and local officials as deemed appropriate.
15. Bulk sales customers and large demand customers will be notified individually.

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16. The customer education emphasis will include keeping customers apprised of the water supply situation, advising customers of target usage goals, and educating customers on water conservation options.

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WATER SHORTAGE PARTIAL ALERT PHASE

A Water Shortage Partial Alert will be considered when there are visible or measurable signs that supplies are significantly lower than season normal and are diminishing. This phase will be first considered while a Water Shortage Advisory is in effect, if customers have not met the established goal in reduction of demand considering the supply situation or if the situation should worsen.

There are three separate criteria in assessing the need for a Water Shortage Partial Alert:

1. River Flow: KAWC withdrawal demand has reached the level of 35 percent of the flow estimated at Lock and Dam No. 10 for three consecutive days.

2. Reservoir Storage Supply: The estimated remaining reservoir supply is less than 45 but more than 30 days at current pumpage rates.

3. Customer Demand: Customers have not met the goal for the reduction of water use as established during the Water Shortage Advisory.

These criteria are guidelines for assessing the need for this phase of response; however, the evaluation of the situation must also include year-to-date rainfall, customer demand, temperature, time of year, forecasted rainfall, and system capacity. **The decision to proceed with this phase will be made only after careful consideration of all factors affecting the water supply, not necessarily when one of the levels of criteria initially has been reached.**

In evaluating the situation, consideration may also be given to the declaration of a Water Shortage Partial Alert, even when any of these criteria to a lesser degree or any combination of these criteria to a lesser degree deem a more stringent course of action is necessary. Whenever practical, a Water Shortage Partial Alert will not be considered unless a Water Shortage Advisory has been in place for at least three days.

The steps for proceeding with the declaration of a Water Shortage Partial Alert:

1. The President of KAWC, or his representative, will declare a Water Shortage Partial Alert.
2. In compliance with Ordinance No. 221-2000 of the LFUCG, the President of KAWC or his representative will request the LFUCG Mayor, by written certification, to declare publicly a Water Shortage Partial Alert. The County Judge Executives for each of the other counties served by KAWC will be asked to implement the same restrictions and publicly declare a Water Shortage Partial Alert for applicable service areas within each county.
3. Odd/even watering program will become mandatory, with limited outdoor watering to 6:00 a.m. to 10:00 a.m. on designated days.
4. Local authorities will be responsible for enforcement. Ordinance No. 221-2000 provides for a fine up to \$250 that could be imposed for violation of a declared Alert. Local law enforcement will be in charge of all enforcement within their respective jurisdictions.
5. Regular communications will be held jointly with the LFUCG to discuss restrictions and enforcement provisions. Media announcements will be coordinated with the LFUCG.
6. KAWC employees will be informed of the implications of the situation.
7. A goal of the reduction of water use shall be established at an additional 10 to 20 percent. A level of desired maximum demand shall be defined between 48 and 56 MGD.
8. The situation will be monitored daily and reevaluated as needed.

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9. The Mayor will be asked to establish, by declaration, a Fayette County Water Conservation Appeals Board consisting of the following or their designees:

- The Mayor of Lexington-Fayette Urban County Government
- The President of Kentucky-American Water Company
- The Commissioner of the LFUCG Health Department
- The LFUCG Chief of Police
- The LFUCG Commissioner of Public Works
- The Vice Mayor of the LFUCG

The Appeals Board will consider appeals from any person who feels aggrieved by the regulated water restrictions and may grant exemptions when a severe economic hardship is placed on the applicant, the health or life of animals or humans are threatened; severe damage or destruction of a research site, historic setting, significant public facility, or unique flora and fauna; or the public health, safety or welfare would be impaired. Each County Judge Executive will be asked to establish a similar Appeals Board for his or her respective county in the KAWC service area.

10. KAWC will notify all sale for resale customers, request special cooperation in the conservation efforts, and investigate potential savings in addition to the mandatory outdoor watering restrictions.

11. Communication with news media will be maintained as necessary.

12. KAWC will notify all large demand customers and will convene a meeting to discuss the situation with their representatives.

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13. Ongoing communication concerning the status of the situation will be maintained with local KAWC board members, the Water Shortage Management Awareness Committee, Water Conservation Appeals Boards, the Kentucky Natural Resources and Environmental Protection Cabinet – Division of Water, the Kentucky Public Service Commission, and the Kentucky River Authority. These officials will be advised prior to any public announcements or requests for phase implementation.
14. Other state and local officials will be kept abreast of the situation. Written notification of the Water Shortage Partial Alert declaration by KAWC shall be sent to state and local officials as deemed appropriate.
15. The customer education emphasis will include keeping customers apprised of the water supply situation, advising customers of target usage goals, and educating customers on water conservation options.

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WATER SHORTAGE FULL ALERT PHASE

A Water Shortage Full Alert will be considered when there are measurable signs that supplies are diminishing and/or customer demand levels have not reduced to a level where they can continue to be met under the current situation.

There are three separate criteria for assessing the need for a Water Shortage Full Alert:

1. River Flow: The KAWC withdrawal demand has reached the level of 55 percent of the flow estimated at Lock and Dam No. 10 for any one day.
2. Reservoir Supply: The estimated remaining total storage supply in the reservoirs and the river pool is less than 30 days but more than 21 days at current pumpage rates.
3. Customer Demand: Customers have not met the goals for the reduction of water use as established during the Water Shortage Partial Alert.

These criteria are guidelines for assessing the need for this phase of response; however, the evaluation of the situation must also include year-to-date rainfall, customer demand, temperature, time of year, forecasted rainfall, and system capacity. **The decision to proceed with this phase will be made only after careful consideration of all factors affecting the water supply, not necessarily when one of the levels of criteria initially has been reached.**

In evaluating the situation, consideration may also be given to the declaration of a Water Shortage Full Alert even when any of these criteria to a lesser degree or any combination of these criteria to a lesser degree deem a more stringent course of action is necessary. Whenever practical, a Water Shortage Full Alert will not be considered unless a Water Shortage Partial Alert has been in effect for at least three days.

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The steps for declaring a Water Shortage Full Alert are:

1. The President of KAWC, or his representative, will declare a Water Shortage Full Alert.
2. In compliance with Ordinance No. 221-2000 of the LFUCG, the President of KAWC or his representative will request the LFUCG Mayor, by written certification, to publicly declare a Water Shortage Full Alert. The County Judge Executives for each of the other counties served by KAWC will be asked to implement the same restrictions and publicly declare a Water Shortage Full Alert for applicable service areas within each county.
3. Customers will be asked to voluntarily eliminate nonessential water use and reduce essential water use.
4. Communication with news media will be maintained as necessary.
5. All nonessential water usage will be restricted, including the elimination of all lawn watering, vehicle washing other than commercial establishments, filling of private residential pools and the use of or fill of ornamental fountains.
6. KAWC employees will be informed regularly to maintain up-to-date information about the situation.
7. All flushing for the disinfection of new mains will be discontinued and will be evaluated on an individual priority basis by the Water Conservation Appeals Board.
8. A conservation goal of reduction of water use shall be established at an additional 10 to 20 percent. A level of desired maximum demand shall be defined between 42 and 47 MGD.

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9. The situation will be monitored daily and reevaluated as needed.
10. KAWC will notify all large demand customers and all sale for resale customers and request special cooperation in the conservation efforts by investigating potential savings in addition to the mandatory outdoor watering restrictions.
11. A contingency plan for withdrawal at the Kentucky River intake will be finalized.
12. The Kentucky River Authority shall be asked to begin upstream releases if the level of Pool 9 drops below the crest of Dam 9 at the Kentucky River.
13. Ongoing communication concerning the status of the situation will be maintained with local board members, the Water Shortage Management Awareness Committee, the Water Conservation Appeals Board, the Kentucky Natural Resources and Environmental Protection Cabinet – Division of Water, the Kentucky Public Service Commission, and the Kentucky River Authority. These officials will be advised prior to any public announcements or requests for phase implementation.
14. Other state and local officials will be kept abreast of the situation. Written notification of the Water Shortage Full Alert declaration by KAWC shall be sent to state and local officials as deemed appropriate.
15. Exceptions to the elimination of non-essential use of water may be granted by the Water Conservation Appeals Board and may include the watering of playing fields, foundations, nursery use, flushing of private services, and other uses as the Appeals Board may deem appropriate.

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The customer education emphasis will include keeping customers apprised of the water supply situation, advising customers of target usage goals, educating

customers on water conservation options, and advising customers of potential emergency water rationing/emergency pricing should conservation goals not be met or the situation worsen.

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WATER SHORTAGE EMERGENCY PHASE

A Water Shortage Emergency will be considered when KAWC is experiencing a water shortage. There are three separate criteria for assessing the need for a Water Shortage Emergency to be declared:

1. River Flow: The KAWC withdrawal demand has reached a level of 65% of the estimated flow at Lock and Dam No. 10 for two consecutive days, or the pool elevation has dropped at the intake structure to 549.6 feet, which is a decrease of one foot from normal pool.
2. Reservoir Supply: The estimated remaining total storage supply is less than 21 but more than 14 days at current pumpage rates, including transfer of water from the Kentucky River to Jacobson Reservoir.
3. Customer Demand: Customer demand reduction has not reached the goal established during the Water Shortage Full Alert.

These criteria are guidelines for assessing the need for this phase of response; however, the evaluation of the situation must also consider year-to-date rainfall, customer demand, temperature, time of year, forecasted rainfall, and system capacity. **The decision to proceed with this phase will be made only after careful consideration of all factors affecting the water supply, not necessarily when one of the levels of criteria initially has been reached.**

In evaluating the situation, consideration may also be given to the declaration of a Water Shortage Emergency, even when any of these criteria to a lesser degree or any combination of these criteria to a lesser degree deem a more stringent course of action is necessary. Whenever practical, a Water Shortage Emergency will not be considered unless a Water Shortage Full Alert has been in effect for at least three days.

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The steps for proceeding with the declaration of a Water Shortage Emergency are:

1. The President of KAWC, or his representative, will declare a Water Shortage Emergency.
2. In compliance with Ordinance No. 221-2000 of the LFUCG, the President of KAWC or his representative will request the LFUCG Mayor, by written certification, to publicly declare a Water Shortage Emergency. The County Judge Executives for each of the other counties served by KAWC will be asked to implement the same restrictions and publicly declare a Water Shortage Emergency for applicable service areas within each county.
3. Customers will be asked to voluntarily ration essential water use. All customers will be notified of their current actual usage and base usage amounts.
4. KAWC will notify the Public Service Commission that emergency pricing to significantly reduce water usage through economic rationing may be pending if the situation should worsen and Water Shortage Rationing be declared.
5. The LFUCG Mayor will be asked to restrict customers' usage to only essential water uses through declaration. These essential uses shall be defined as the following:
 - Domestic: Water necessary to sustain human life and lives of domestic pets, and to maintain minimum standards of hygiene and sanitation.
 - Health Care Facilities: Patient care and rehabilitation, including related filling and operation of water-related therapeutic and diagnostic equipment.
 - Water Hauling: Sales for domestic use where not reasonably available elsewhere.

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- Public Use: Firefighting and health and public protection purposes, if specifically approved by health officials and the local governing body.
 - Commercial and Industrial Use: Water used indoors during the normal course of business that is essential to maintaining business operations, including cooling tower operations.
6. A goal shall be established for the reduction of water use to an additional 10 to 25 percent. A level of desired maximum demand shall be established between 35 and 41 MGD.
 7. The situation shall be monitored daily and reevaluated as needed.
 8. KAWC maintenance forces would assist in a meter reading program to begin reading meters on a more frequent basis. Local contractors may be retained for assistance in leak repair, while company maintenance forces are assisting with meter reading. Other local utility companies may be contacted for assistance with meter reading.
 9. Communication with news media will be maintained as necessary.
 10. KAWC employees will be informed daily to remain current with the situation.
 11. Ongoing communication concerning the status of the situation will be maintained with local board members, the Water Shortage Management Awareness Committee, the Water Conservation Appeals Board, the Kentucky Natural Resources and Environmental Protection Cabinet – Division of Water, the Kentucky Public Service Commission, and the Kentucky River Authority. These officials will be advised prior to any public announcements or reports for phase implementation.

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12. Other state and local officials will be kept abreast of the situation. Written notification of the Water Shortage Emergency declaration by KAWC shall be sent to state and local officials as deemed appropriate.
13. Coordination with the Kentucky River Authority on releases of water from upstream pools and Division of Water withdrawal parameters will be monitored daily.
14. The customer education emphasis will include keeping customers apprised of the water supply situation, advising customers of target usage goals, educating customers on water conservation options, and notifying customers of emergency water rationing pricing that would become effective should conservation goals not be met and Water Shortage Rationing be declared.

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WATER SHORTAGE RATIONING PHASE

Rationing will be considered only when supply is clearly inadequate to meet projected demands.

There are three separate criteria for assessing the need for the declaration of Water Shortage Rationing:

1. River Flow: KAWC withdrawal demand exceeds 75 percent of the estimated flow at Lock and Dam No. 10 or the pool level drops below an elevation of 548.6, which is two feet below normal pool.
2. Reservoir Supply: Estimated remaining total supply is less than 14 days.
3. Customer Demand: (1) Customer water use has not met the reduction goal established during the Water Shortage Emergency, or (2) customer demand exceeds system capacity to deliver.

These criteria are guidelines for assessing the need for this phase of response; however, the evaluation of the situation must also consider year-to-date rainfall, customer demand, temperature, time of year, forecasted rainfall, and system capacity. **The decision to proceed with this phase will be made only after careful consideration of all factors affecting the water supply, not necessarily when one of the levels of criteria initially has been reached.**

In evaluating the situation, consideration may also be given to the declaration of water shortage rationing, even when any of these criteria to a lesser degree or any combination of these criteria to a lesser degree deem a more stringent course of action is necessary. Whenever practical, a Water Shortage Rationing will not be considered unless a Water Shortage Emergency has been in effect for at least three days.

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The steps for proceeding with the declaration of a Water Shortage Rationing Phase are:

1. The President of KAWC, or his representative, will declare Water Shortage Rationing.
2. In compliance with Ordinance No. 221-2000 of the LFUCG, the President of KAWC or his representative will request the LFUCG Mayor, by written certification, to publicly declare Water Shortage Rationing. The County Judge Executives for each of the other counties served by KAWC will be asked to implement the same restrictions and publicly declare Water Shortage Rationing for applicable service areas within each county.
3. The Emergency Pricing Tariff, as approved by the Public Service Commission, will be implemented. The PSC will be notified of such implementation.
4. A goal of the reduction of water use shall initially be established at an additional 10 to 25 percent. A desired maximum demand level shall be defined at less than 35 MGD. The desired maximum demand level may be decreased or increased as the situation warrants.
5. The situation shall be monitored daily and reevaluated as needed.
6. Allowable water usage of residential and nonresidential customers will be determined, based on a method approved by the Kentucky Public Service Commission, and may be revised as the situation warrants.
7. Water usage levels for hospitals and health care facilities shall be established for each individual institution to the extent that compliance will not endanger health of the patients or residents of the institution.
8. Communication with news media will be maintained as necessary.

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9. KAWC employees will be informed daily to maintain current information on the situation.
10. Ongoing communication concerning the status of the situation will be maintained with local board members, the Water Shortage Management Awareness Committee, the Water Conservation Appeals Board, the Kentucky Natural Resources and Environmental Protection Cabinet – Division of Water, the Kentucky Public Service Commission, and the Kentucky River Authority. These officials will be advised prior to any public announcements or requests for phase implementation.
11. Other state and local officials will be kept abreast of the situation. Written notification of the Water Shortage Advisory declaration by KAWC shall be sent to state and local officials as deemed appropriate.
12. The customer education emphasis will include keeping customers apprised of the water supply situation, advising customers of target usage goals, advising customers of any revisions to target usage goals that may be necessary, educating customers on water conservation options, and educating customers about emergency pricing.

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RETURN TO NORMAL

The most important part of a return to normal situation is to evaluate carefully the supply situation and not lift restrictions prematurely. Public reaction to an easing of restrictions is to immediately use water for purposes that had been previously restricted. This can often cause an unusually high demand and place the shortage situation in a worse condition than before the restrictions were lifted. Consideration must be given to this reaction and caution must be used to lift each phase of the water shortage response only when KAWC is clearly out of danger of a possible immediate need to return to that level of shortage response.

During each phase, as the situation is reevaluated and conditions indicate that the seriousness of the shortage has abated, mandatory water conservation measures may be decreased. Phases will be decreased in reverse order and only when the situation is clearly out of the range of emergency that the current phase implies. Efforts on behalf of public awareness of the situation will be continued, as well as updates to all employees. Ongoing communication with all officials concerning the status of the situation will be maintained. Steps for going into each phase will be followed in reverse order as they were when the phase was initially implemented. Once the Advisory Phase is lifted, efforts and results will be documented and evaluated for future use.

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OUTLINE OF KAWC WATER SHORTAGE RESPONSE PROGRAM

INITIATION	ASSESSMENT	RESPONSE
State issues Watch or Warning or by May 1 Annually (Local Monitoring of Conditions)	<ul style="list-style-type: none"> Withdrawal demand > 5% river flow, rainfall below normal, or Reservoir supply 60-80 days, or Customer demand > 50 MGD, or 60 MGD for peak hour, or similarly limited system capacity 	Preliminary Watch <ul style="list-style-type: none"> Monitor supply Prepare plan
	<ul style="list-style-type: none"> Withdrawal demand > 20% river flow for 3 days, or Reservoir supply 45-59 days, or Customer demand > 65 MGD or similarly limited system capacity 	Advisory Phase <ul style="list-style-type: none"> Voluntary conservation Reevaluate as needed Customer demand goal: 57-62 MGD
	<ul style="list-style-type: none"> Withdrawal demand > 35% river flow for 3 days, or Reservoir supply 30-44 days, or Customer demand reduction goal not met 	Partial Alert Phase <ul style="list-style-type: none"> Mandatory restrictions Reevaluate as needed Customer demand goal: 48-56 MGD
	<ul style="list-style-type: none"> Withdrawal demand > 55% river flow, or Reservoir supply 21-29 days, or Customer demand reduction goal not met 	Full Alert Phase <ul style="list-style-type: none"> Elimination of outdoor watering Reevaluate as needed Customer demand goal: 42-47 MGD
PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE JUL 15 2001 PURSUANT TO 807 KAR 5.01, SECTION 9 (1) BY: <u>Stephan D. Bell</u> SECRETARY OF THE COMMISSION	<ul style="list-style-type: none"> Withdrawal demand > 65% river flow, or Total storage supply 14-20 days, or Customer demand reduction goal not met 	Emergency Phase <ul style="list-style-type: none"> Restrict all use Reevaluate as needed Customer demand goal: 35-41 MGD
	<ul style="list-style-type: none"> Withdrawal demand > 75% river flow, or Total storage supply < 14 days, or Customer demand reduction goal not met 	Rationing Phase <ul style="list-style-type: none"> Ration all use/Emergency Pricing Customer demand goal: < 35 MGD or as required

APPENDIX A

CONSERVATION POLICY

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KENTUCKY-AMERICAN WATER COMPANY CONSERVATION POLICY

Kentucky-American Water Company supports the concept that water is a valuable natural resource which should be used wisely and efficiently. Water conservation planning is an important component in the overall responsibility of the company to provide adequate and reliable water service to its customers.

Kentucky-American believes it is the company's civic and environmental responsibility to exercise leadership in promoting the development and application of practices and technologies that improve water use efficiency. The company's goal is to extend the adequacy of existing water supplies and facilities without compromising community values, life-styles and economic stability.

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Kentucky-American uses the least-cost planning process to integrate water conservation concepts into its long-range planning process. The objective of least-cost planning is to provide the lowest cost to the customer while at the same time maintaining adequate health, public safety and reliability standards. These standards include adequate water for fire protection, water quality and water pressure.

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The company integrates conservation practices into the operation and management of its facilities. The company also promotes water conservation through the implementation of technical assistance, demonstration projects, public information and education programs.

Kentucky-American shall support and assist local, state, federal and private sector initiatives to develop, demonstrate and apply cost effective water conservation measures.

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APPENDIX B

WATER SUPPLY EVALUATION METHODOLOGY

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WATER SUPPLY EVALUATION METHODOLOGY JUL 15 2001

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1. River Flow: The flow in the river is monitored at Lock and Dam Nos. 4, 6, 10, 14 and the Red River gauge. No. 10 will give a daily estimated flow into Pool 9 from which Kentucky-American withdraws. Monitoring from Lock and Dam No. 14 and the Red River gauge will give an indication of anticipated flow patterns, allowing for Winchester and Richmond withdrawals. River flows will be monitored based on information provided by the United States Geological Survey in Louisville. Direct access will be provided through a computer hookup and frequent telephone contact with the U.S.G.S. should also be maintained to stay abreast of developments and verify data before critical decisions are made. Periodic trips to the Kentucky River Locks 9 and 10 should also be made to verify the indicated flow readings.
2. Reservoir Supply: The reservoir supply is based on volumetric calculations. The capacity of the reservoir will be based on the latest capacity survey, and the approximate volume of storage in the reservoir will be calculated from daily readings of the water surface elevation gauge at each reservoir. Once the situation approaches the Advisory Phase, this capacity should be reassessed daily.

If the flow in the river drops below 100 MGD, the total storage including reservoir storage and approximate Kentucky River pool storage should be monitored daily, assuming that Kentucky-American can withdraw normal rates from the Kentucky River intake from the top 3 feet of storage in Pool 9.

If the flow in the river drops below 100 MGD, the total storage including reservoir storage and approximate Kentucky River pool storage should be monitored daily, assuming that Kentucky-American can withdraw normal rates from the Kentucky River intake from the top 3 feet of storage in Pool 9. At this point, the pool water surface elevation shall be closely monitored daily at the intake structure and verified with regular visits to Dam No. 9. Normal pool elevation occurs at 550.6 feet, below which withdrawals will be from pool storage. As the flow is reduced to the point of no flow going over Lock and Dam No. 9, the elevation drop rate of the pool shall be monitored, along with the withdrawal rate, to estimate the approximate leakage rate at Lock and Dam No. 9. The estimated total losses from leakage and other losses can be calculated by balancing the flows at Dam No. 9 and No. 10, and Kentucky- American withdrawal rates.

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APPENDIX C

WATER USE CLASSIFICATION

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Essential Water Uses (Class 1):

The following uses of water, listed by site or user type, are essential.

Domestic:

- water necessary to sustain human life and the lives of domestic pets, and to maintain minimum standards of hygiene and sanitation.

Health Care Facilities:

- patient care and rehabilitation

Water Hauling:

- sales for domestic use where not reasonably available elsewhere.

Public Use:

- firefighting,
- health and public protection purposes, as specifically approved by health officials and the municipal governing body.

Socially or Economically Important Uses of Water (Class 2):

The following uses of water, listed by site or user type, are socially or economically important.

Domestic:

- personal, in-house water use including kitchen, bathroom and laundry.

Water Hauling:

- nondomestic, when other sources are not reasonably available elsewhere.

Commercial and Civic Use:

- commercial car and truck washes,
- laundromat,
- restaurants, clubs and eating places,
- schools, churches, motels/hotels and similar commercial establishments.

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Outdoor Noncommercial Watering:

- minimal watering of vegetable gardens,
- minimal watering of trees where necessary for their survival.

Outdoor Commercial or Public Watering (using conservation methods and when other sources of water are not available or feasible to use):

- agricultural irrigation for the production of food and fiber or the maintenance of livestock,
- watering by arboretums and public gardens of national, state, regional or community significance where necessary to preserve specimens,
- watering by commercial nurseries where necessary to maintain stock,
- watering where necessary to establish or maintain vegetation or landscape plantings required pursuant to law or regulation,
- watering of woody plants where necessary to preserve them,
- minimal watering of golf course greens.

Recreational:

- operation of municipal swimming pools and residential pools that serve more than 25 dwelling units.

Air Conditioning:

- refilling for start-up at the beginning of the cooling season,
- makeup of water during the cooling season,
- refilling specifically approved by health officials and the municipal governing body, where the system has been drained for health protection or repair services.

Nonessential (Class 3):

Any waste of water, as defined herein, is nonessential. The following uses of water, listed by site or user type, are also nonessential.

Public Use:

- use of fire hydrants (excluding Class I and Class II uses), including use of sprinkler caps, testing fire apparatus and fire department drills,
- flushing of sewers and hydrants except as needed to ensure public health and safety as approved by health officials and the municipal governing body.

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Commercial and Civic Use:

- serving water in restaurants, clubs, or eating places, except by customer request,
- failure to repair a controllable leak,
- increasing water levels in scenic and recreational ponds and lakes, except as necessary to support fish and wildlife.

Ornamental Purposes:

- fountains, reflecting pools and artificial waterfalls.

Outdoor Watering:

- use of water for dirt control or compaction,
- watering of annual or nonwoody plants, lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Outdoor Commercial or Public Watering:

- expanding nursery facilities, placing new irrigated agricultural land in production, or planting of landscaping except when required by a site design review process,
- use of water for dirt control or compaction,
- watering of lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Recreational uses other than those specified as Class II.

Noncommercial washing of motor and other vehicles.

Air Conditioning (see also Class II purposes):

- Refilling cooling towers after draining.

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APPENDIX D

**POSITION STATEMENT:
ODD/EVEN WATERING PROGRAM**

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KENTUCKY-AMERICAN WATER COMPANY

POSITION STATEMENT

ODD/EVEN WATERING

MAY 7, 1990

Kentucky-American Water company's objective is to provide unrestricted water service to its customers during all weather conditions. Consistent with our policy of exercising progressive leadership in least cost planning as well as promoting practices and technologies that improve water use efficiency, Kentucky-American encourages the practice of odd/even watering by our customers.

This odd/even watering program encourages those customers with an address ending with an odd number to limit outdoor watering to Tuesday, Thursday and Saturday, and those customers with addresses ending with an even number to limit outdoor watering to Wednesday, Friday and Sunday. customers are encourage not to water outdoors on Mondays.

An odd/even watering program develops a pattern of water usage that can reduce spontaneous peaking demands on treatment and distribution systems and improve reliability of service to our customers while minimizing the required capital investment in facilities.

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Depending upon the severity of a drought situation, an odd/even watering program may require certain time of day restrictions as well as enforcement action in conjunction with the water shortage response program in order to effectively reduce the demands on the system to targeted levels.

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APPENDIX E

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
WATER SHORTAGE RESPONSE ORDINANCE**

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Sec. 11-9. Water shortage response.

- (a) The purpose of this section is to provide for the declaration of official phases of water supply shortage situations and the implementation of voluntary and mandatory water conservation measures throughout Fayette County in the event a shortage is declared.
- (b) Whenever an officer of Kentucky-American Water Company, the public purveyor of potable water in Fayette County, finds that a potential shortage of the supply of treated water exists or will exist, upon written certification thereof to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Advisory." In addition to the declaration, the mayor shall call upon all customers of Kentucky-American Water Company to employ voluntary water conservation and to eliminate the waste of all treated water.
- (c) Whenever an officer of Kentucky-American Water Company, the public purveyor of potable water in Fayette County, finds that a condition exists where it will not be able to meet the expected needs of its customers, upon written certification thereof to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Alert." In addition to the declaration, the mayor may call upon all customers of Kentucky-American Water Company to employ voluntary water conservation, and to eliminate the waste of all treated water and to use treated water outside of buildings (such usage to include, but not limited to, car washing, driveway washing, filling of swimming pools; use and filling of fountains and watering of lawns, bushes and trees) only in accordance with the following schedule:
 - (1) Outside use for addresses ending in an odd number shall be limited to Tuesdays, Thursdays and Saturdays; and
 - (2) Outside use for addresses ending in an even number shall be limited to Wednesdays, Fridays and Sundays.
- (d) Whenever an officer of Kentucky-American Water Company, the public purveyor of potable water in Fayette County, finds that Kentucky-American Water Company is unable to meet the expected needs of its customers and that such a condition will exist for some period of time in the future, and upon written certification thereof to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Emergency." In addition to the declaration, the mayor may call upon all customers of Kentucky-American Water Company to employ voluntary water conservation, and to eliminate the waste of all treated water, to eliminate the use of water outside of buildings, and to use water only as necessary to maintain minimum standards of hygiene and sanitation, and to provide for essential health and public protection purposes.
- (e) Whenever the Mayor has declared a "water shortage alert" or "water shortage emergency" pursuant to subsections (c) or (d) of this section, he or the commissioner of public safety may promulgate such administrative regulations governing all water usage in Fayette County by all customers of Kentucky-American Water Company as may, in the discretion of the mayor or public safety commissioner, appear necessary to protect the health and public safety of the residents of Fayette County in a manner consistent with the terms of this section.

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JUL 15 2001 The declaration of a water shortage advisory, water shortage alert or water shortage emergency shall continue until an officer of Kentucky-American Water Company finds that the conditions calling for the declaration no longer exist, and upon written certification thereof to the mayor of the urban county government, the mayor may

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publicly declare the condition no longer existing.

- (g) Any person who violates the provisions of subsection (c) of this section shall be subject to a fine not to exceed two hundred fifty dollars (\$250.00). Any person who violates the provisions of subsection (d) of this section shall be subject to a fine not to exceed two hundred fifty dollars (\$250.00) and up to ninety (90) days imprisonment. Each day in violation of the terms of subsections (c) or (d) of this section shall constitute a separate offense.

(Ord. No. 135-88, § 1, 6-28-88)

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ORDINANCE NO. 221-2000

AN ORDINANCE AMENDING SECTION 11-9 OF THE CODE OF ORDINANCES TO CHANGE THE WATER SHORTAGE RESPONSE PLAN TO A MORE DETAILED SIX-PHASE PROCESS IN ACCORDANCE WITH THE WATER SHORTAGE RESPONSE PROGRAM OF THE DEMAND MANAGEMENT PLAN OF KENTUCKY-AMERICAN WATER COMPANY; PROVIDING THAT DECLARATIONS ISSUED BY THE MAYOR PURSUANT TO THIS SECTION SHALL APPLY TO CUSTOMERS OF ALL WATER PURVEYORS IN FAYETTE COUNTY; PROVIDING THAT THE MAYOR MAY PROMULGATE ADMINISTRATIVE REGULATIONS GOVERNING WATER USAGE BY CUSTOMERS OF ALL WATER PURVEYORS IN FAYETTE COUNTY; CREATING THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT WATER CONSERVATION APPEALS BOARD WITH THE POWER TO INTERPRET, ADJUST, OR ISSUE VARIANCES FROM NECESSARY LOCAL WATER USE REGULATIONS AND HEAR APPEALS FROM WATER RESTRICTIONS; AND ELIMINATING IMPRISONMENT AS A PERMISSIBLE PENALTY FOR VIOLATING THIS SECTION.

WHEREAS, Section 11-9 of the Code of Ordinances relating to water shortage situations and conservation measures is not in conformity with the Demand Management Plan of Kentucky-American Water Company; and

WHEREAS, close cooperation between Kentucky-American Water Company, the chief water purveyor in Fayette County, and the Lexington-Fayette Urban County Government is essential in managing water resources; and

WHEREAS, the Council is desirous of amending Code Section 11-9 to a six-phase process in accordance with the Water Shortage Response Program of the Demand Management Plan of Kentucky-American Water Company; and

WHEREAS, Section 11-9 of the Code of Ordinances was enacted in 1988 to deal with the water shortage situation facing Fayette County at that time; and

WHEREAS, Code Section 11-9 fails to recognize that the Spears Water District is a water purveyor in Fayette County along with Kentucky-American Water Company; and

WHEREAS, a Water Conservation Appeals Board is necessary to interpret, adjust, or issue variances from necessary local water use regulations in order to meet water use withdrawal restrictions as such are imposed on the water purveyors in Fayette County by state agencies and to give customers of water

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purveyors in Fayette County the ability to appeal certain water restriction decisions; and

WHEREAS, the Council is desirous of eliminating imprisonment as a permissible penalty for violating Code Section 11-9;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That Section 11-9 of the Code of Ordinances of the Lexington-Fayette Urban County Government be and hereby is amended to read as follows:

Sec. 11-9. Water Shortage Response.

(1) The purpose of this section is to provide for the declaration of official phases of water supply shortage situations and the implementation of voluntary and mandatory water conservation measures throughout Fayette County in the event a shortage is declared.

(a) Phase I - Preliminary Watch.

Whenever an officer of Kentucky-American Water Company, the chief public purveyor of potable water in Fayette County, finds that it is necessary to internally monitor river flows, daily pumpage, and weather forecasts, the mayor of the urban county government will be notified that the "Preliminary Watch" phase of the Water Shortage Response Program of the Demand Management Plan of Kentucky-American Water Company has been implemented.

(b) Phase II - Water Shortage Advisory.

Whenever an officer of Kentucky-American Water Company, the chief public purveyor of potable water in Fayette County, finds that a potential shortage of the supply of treated water exists or will exist, and certifies such finding in writing to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Advisory." In addition to the declaration, the mayor shall call upon all customers of Kentucky-American Water Company and any other water purveyor in Fayette County to employ voluntary water conservation, including but not limited to voluntarily

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other water purveyor in Fayette County to employ voluntary water conservation, and to voluntarily eliminate nonessential water use and reduce essential water use. All nonessential water usage will be restricted to the odd/even schedule set forth in Phase III above, provided that the following nonessential uses will be eliminated: lawn watering, vehicle washing other than at commercial establishments, filling of private residential pools, and the use of or filling of ornamental fountains.

(e) Phase V - Water Shortage Emergency.

Whenever an officer of Kentucky-American Water Company, the chief public purveyor of potable water in Fayette County, finds that Kentucky-American Water Company is experiencing a water shortage such that it is unable to meet the expected demands of its customers, and certifies such finding in writing to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Emergency." In addition to the declaration, the Mayor may call upon all customers of Kentucky-American Water Company and any other water purveyor in Fayette County to eliminate all nonessential uses of treated water and to voluntarily ration essential water use. Essential water use is defined as follows:

- i. Domestic: Essential domestic use is that usage necessary to sustain human and animal life, and such usage necessary to maintain minimum standards of hygiene and sanitation for both.
- ii. Health Care Facilities: Essential usage by health care facilities is that usage necessary for patient care and rehabilitation, including related filling and operation of swimming pools.
- iii. Water Hauling: Water hauling sales for domestic usage shall be permitted if potable water is not available elsewhere.
- iv. Public Use: Essential public usage is such usage necessary for firefighting and health and public protection purposes, provided such health and public protection purposes have been approved by

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complying with the mandatory restrictions contained in Phase III and eliminating the waste of all treated water.

(c) Phase III - Water Shortage Partial Alert.

Whenever an officer of Kentucky-American Water Company, the chief public purveyor of potable water in Fayette County, finds that there are visible or measurable signs that the supply of water is significantly lower than the seasonal norm and is diminishing or customers have not met the established goal of demand reduction, and to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Partial Alert." In addition to the declaration, the mayor may call upon all customers of Kentucky-American Water Company and any other water purveyor in Fayette County to employ voluntary water conservation, and to eliminate the waste of all treated water. The use of treated water outside of buildings (such usage to include, but not limited to, car washing, driveway washing, filling of swimming pools, use and filling of fountains and watering of lawns, bushes and trees) shall be restricted in accordance with the following schedule:

- i. Outside use for addresses ending in an odd number shall be limited to Tuesdays, Thursdays and Saturdays from 6:00 a.m. to 10:00 a.m. and 6:00 p.m. to 10:00 p.m.; and
- ii. Outside use for addresses ending in an even number shall be limited to Wednesdays, Fridays and Sundays from 6:00 a.m. to 10:00 a.m. and 6:00 p.m. to 10:00 p.m.

(d) Phase IV - Water Shortage Full Alert.

Whenever an officer of Kentucky-American Water Company, the chief public purveyor of potable water in Fayette County, finds that there are measurable signs that the water supply is diminishing and/or that customer demand levels have not been reduced to a level where they can continue to be met under the current situation, and certifies such finding in writing to the mayor of the urban county government, the mayor may publicly declare a "Water Shortage Full Alert." In addition to the declaration, the mayor may call upon all customers of Kentucky-American Water Company and any

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health officials or by the mayor of the urban county government.

- v. Commercial/Institutional Use: Essential use is such minimal usage necessary to avoid severe economic loss or significant unemployment.

All other water uses shall be prohibited except as declared by the Mayor.

(f) Phase VI - Water Shortage Rationing.

Whenever an officer of Kentucky-American Water Company, the chief public purveyor of potable water in Fayette County, finds that the water supply is clearly inadequate to meet the projected demands of Kentucky-American Water Company's customers, and certifies such finding in writing to the mayor of the urban county government, the mayor, following consultation with the Kentucky River Authority and the Kentucky Division of Water, may publicly declare a "Water Shortage Rationing." In addition to the declaration, the mayor may call upon customers of Kentucky-American Water Company and any other water purveyor in Fayette County to initially limit their water usage as follows:

- i. Water usage levels for hospitals and health care facilities shall be separately established for each individual institution to the extent that compliance will not endanger health of the patients or residents of said institution.
- ii. The mayor may further amend the Water Shortage Rationing declaration to revise the declaration as need be to meet ongoing water availability conditions.
- iii. It is anticipated that during Phase VI Kentucky-American Water Company and all other Fayette County purveyors of water will implement additional measures necessary to force customers to further restrict water use. These additional measures, which are independent of those taken by the mayor or the urban county government, are required by law to be approved by and/or filed with the Kentucky Public Service Commission, and include but are not necessarily limited to the

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implementation of revised pricing structures specifically designed to monetarily penalize excessive water use within all customer classes, otherwise known as "drought tariffs", and the temporary reduction or interruption of service to those customers not otherwise responding to reduction targets.

- (2) Whenever the mayor of the urban county government has declared a water shortage advisory, water shortage partial alert, water shortage full alert, water shortage emergency, or water shortage rationing pursuant to this section, the mayor may promulgate such administrative regulations governing all water usage in Fayette County by all customers of Kentucky-American Water Company and any other water purveyor in Fayette County as may, in the discretion of the mayor, appear necessary to protect the health and public safety of the residents of Fayette County in a manner consistent with the terms of this section.

- (3) Lexington-Fayette Urban County Government Water Conservation Appeals Board.

- (a) Created.

A board is hereby created which shall be known as the Lexington-Fayette Urban County Government Water Conservation Appeals Board, hereinafter referred to as the "Board".

- (b) Purpose.

The Board is established to interpret, adjust, or issue variances from necessary local water use regulations in order to meet water use withdrawal restrictions as such are imposed on the water purveyors in Fayette County by state agencies, and to consider the appeal of any person or entity who may be aggrieved by the implementation of the water restrictions contained in this section.

- i. In addition to any other authority expressly provided for in this section, the Board shall have the authority to interpret and adjust necessary local water use regulations pertaining to, but not limited to the following:

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BY: Stephan D. Burr
SECRETARY OF THE COMMISSION

residential lawn watering, pool filling, and ornamental fountain use; the watering of golf courses, agriculture, and athletic fields; water usage levels for commercial purposes; and the water usage levels for hospitals and health care facilities during a Phase VI declaration.

ii. The Board may consider providing relief through issuing variances to any person or entity aggrieved by a declaration related to water conservation prior to the assessment of a fine for violation of this section as provided for in subsection (5).

iii. The Board shall not consider the appeal of a fine that has already been assessed pursuant to this section.

iv. The Board shall not consider the appeal of a drought tariff or other restrictive measure imposed on a customer by Kentucky-American Water Company or any other Fayette County water purveyor.

(c) Membership.

The Board shall consist of the following seven (7) members or their respective designees: the mayor, who shall serve as the Chairperson; the President of Kentucky-American Water Company; the Commissioner of the Health Department; the Commissioner of Public Safety; the Chief of Police; the Commissioner of Public Works; and the Vice Mayor.

(d) Meetings.

The Chairperson or a majority of the members of the Board shall have the authority to call meetings of the Board as he or she deems necessary, however, the Board must meet on at least a weekly basis during the implementation of Phases III - VI of this section.

(e) Bylaws.

The Board may adopt bylaws as are necessary to carry out its duties as set forth in this section.

(4) The declaration of a water shortage advisory, water shortage partial alert, water shortage full alert, water shortage

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emergency or water shortage rationing shall continue until an officer of Kentucky-American Water Company finds that the conditions calling for the declaration no longer exist, and certifies such finding in writing to the mayor of the urban county government. At that time the mayor may publicly declare the condition no longer existing.

- (5) Any person who violates the provisions of this section, or any declaration or regulation governing water usage adopted by the mayor of the urban county government under the authority of this section, shall be subject to a fine not to exceed two hundred fifty dollars (\$250.00). Each day in violation of the terms of this section or any such declaration or regulation shall constitute a separate offense.

Section 2 - That this ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: July 13, 2000

Sam Miller
MAYOR

ATTEST:

Liz Darnell
CLERK OF URBAN COUNTY COUNCIL

PUBLISHED: July 20, 2000-lt

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SECTION 9 (1)

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SECRETARY OF THE COMMISSION

APPENDIX F

WATER CONSERVATION SUGGESTIONS FOR COMMERCIAL, INDUSTRIAL, AND HEALTH CARE FACILITIES

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SECTION 9 (1)**

**BY: Stephan D. Bell
SECRETARY OF THE COMMISSION**

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BY: Stephan O. Bue
SECRETARY OF THE COMMISSION

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Natural Resources and
Environmental Protection Cabinet

WATER CONSERVATION FOR GOLF COURSES

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

Some of the following suggestions can be incorporated into normal golf course operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

Water Control

- o Fix leaks in the irrigation system as soon as they are detected.
- o Only add water to lakes that are essential to the ecology or are needed to maintain trees and shrubs planted near the water line.
- o Use aerial photographs of the irrigation system to determine which sprinkler heads should be shut down or altered.
- o Cap any sprinkler head which waters nonpriority areas.
- o Use accurate timing methods to control the frequency and duration of watering.
- o Replace full-circle sprinkler heads with half-circle heads where appropriate.
- o Install flow controls in sprinkler heads.
- o On hilly areas, use sprinkler heads that hold water in the pipes once the flow is shut off.
- o Investigate the advantages of installing drip irrigation systems for trees and shrubs.
- o Read water meters daily to monitor the success of water conservation efforts.

Water Usage

- o Infrequent deep watering of grass conserves more water than frequent light waterings.
- o Do not overwater. This encourages weak grass to compete with other grasses.
- o Follow National Weather Service forecasts. In periods where there is a high probability of rain, don't water.
- o Generally, hand watering is the least effective means of conserving water. However, the sprinkler systems surrounding greens (perimeter watering) are not always efficient. If large sand traps or roughs are being watered, hand watering of the green would be advisable.
- o Watering should be done at night or in the early morning, when evaporation and wind are at a minimum.
- o Remove weak plants so that other plants can benefit from the water saved.
- o Older, established plants may only require infrequent irrigation.
- o Limit landscaping additions and alterations. In the future, design for landscapes and turfs which require less water.
- o Hand wash all equipment and machinery by using budgeted amounts of water rather than hoses.
- o Wash golf carts less often.
- o Eliminate the washing of walks, driveways and other paved areas.

Grass and Soil Conservation Technique

- o Aerification and spiking relieve soil compaction and assist water entry into soil.
- o Use peat moss, redwood bark or calcine clay where possible to retain moisture at turf root levels.
- o Use mulch on bald spots to retain moisture and discourage weeds.
- o Wetting agents can improve water retention in some areas. Wetting agents react differently depending on soil content; care should be taken in their selection.

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- o Fertilize in cool weather using small doses of nutrient to build a strong root zone. Fertilizing in the summer months induces growth, which requires additional watering; it should be avoided.
- o Apply antitranspirants where beneficial.
- o Grass length is an important fact in water usage. In the summer months, mowers should be raised. The optimum grass length depends upon many conditions, including the type of grass.
- o Remove thatch which restricts water, air and nutrient movement into the turf's root zone.
- o Weeds compete for water and should be controlled by use of an appropriate registered herbicide or by hand removal.

Clubhouse and Tennis Courts

- o Increase employee awareness of water conservation. Brochures explaining how to conserve water in the home are available from the Division of Water.
- o Conduct contests (e.g., posters, slogans, or conservation ideas) and locate conservation suggestion boxes in prominent areas.
- o Install signs that encourage water conservation in employee and customer restrooms.
- o As appliances or fixtures wear out, replace with water-saving models.
- o Recover condensate from air conditioners, refrigerators, freezers and ice machines; use it as make-up water.
- o Reduce the load on air conditioning units by shutting air conditioning off when and where it is not needed.
- o Repair leaking faucets, showers, and continuously running toilets.
- o Avoid excessive boiler and air conditioner blowdown. Monitor total dissolved solids levels, and blowdown only when needed.
- o Reduce the water used in toilet flushing by either adjusting the vacuum flush mechanism or installing toilet tank displacement devices (dams, bottles or bags).
- o Maintain insulation on hot water pipes.
- o Check water supply system for leaks and turn off any unnecessary flows.
- o Install flow reducers and faucet aerators on all plumbing fixtures.
- o Use paper cups for drinking water instead of free flowing drinking fountains.
- o Use a blower or broom to clean tennis courts and sidewalks.
- o Conservation suggestions for restaurants can be obtained from the Division of Water.

Keep Informed on New Developments

- o Contact the local Cooperative Extension, an educational agency of the University of Kentucky and the United States Department of Agriculture. Read the latest scientific information on agriculture, agronomy and water usage.
- o Read professional journals and magazines and learn what others are doing.

This bulletin provides water conservation efforts which have been successfully implemented by industrial and commercial users.

For Additional Information Contact the Kentucky Division of Water at (502) 564-3410,
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WATER CONSERVATION FOR BEVERAGE INDUSTRIES

PURSUANT TO 807 KAR 5:011,

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BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Some of the following suggestions can be incorporated into normal beverage industries operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

Start a Water Conservation Program

- o Assign to an individual the responsibility for the water conservation program, giving him or her the necessary support and authority.
- o Make the plant management and other employees aware of the water conservation coordinator's function.
- o Increase employee awareness of water conservation. Brochures explaining how to conserve at home are available from the Division of Water.
 1. Explain the importance of individual action to the success of the conservation program.
 2. Conduct contests (e.g., posters, slogans or conservation ideas) and locate suggestion boxes in prominent areas.
 3. Use reminder posters and displays of water saving achievements.

Survey the Plant

A plant survey helps to establish a facility's water saving potential by identifying areas where water is wasted, or where water could be reused.

- o Identify the major water lines.
 1. Indicate the quality of water carried by each.
 2. Determine the quantity of water each uses-meters are available on loan from the DWP.
- o Identify all points where water is used, including hose connections; determine the quantity of water used at each point.
- o Determine the capacity of each water-containing unit and frequency of emptying.
- o Determine the quality of each continuous discharge that is not now being reused.
- o Determine flow rates in flood gutters and whether the flows are adequate to prevent solids accumulation.

Maximize Water Use Efficiency

- o Install high-pressure, low-volume nozzles on spray washers.
- o Use fogging nozzles to cool product.
- o Install in-line strainers on all spray headers; inspect nozzles regularly for clogging.
- o Adjust pump cooling and flushing water to the minimum required.
- o Determine whether discharges from any operation can be substituted for fresh water supplied to another operation. Discharges which can potentially be reused are:
 1. Final rinses from tank cleaning, keg washers, fermenters;
 2. Bottle and can soak and rinse water;
 3. Cooler flushwater, filter backwash
 4. Pasteurizer and sterilizer water.

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BY: Stephan O. Burr
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Areas of possible reuse are:

1. First rinses in wash cycles;
2. Can shredder, bottle crusher;
3. Filter backflush;
4. Caustic dilution;
5. Boiler makeup;
6. Refrigeration equipment defrost; and
7. Equipment cleaning, floor and gutter wash.

Avoid Waste

- o Equip all hoses with spring loaded shutoff nozzles. Be sure these nozzles are not removed.
- o Instruct employees to use hoses sparingly and only when necessary.
- o Adjust overflows from recirculation systems by controlling the rate at which makeup water is added.
 1. Install float-controlled valve on the makeup line.
 2. Close filling line during operation.
 3. Provide surge tanks for each system to avoid overflow.
- o Turn off all flows during shutdowns (unless flows are essential for cleanup).
 1. Use solenoid valves to stop the flow of water when production stops. The valves could be activated by tying them to drive motors.
- o Adjust flows in sprays and other lines to meet minimum requirements.

Evaluate Cleanup Procedures

- o Sweep and shovel materials from the floor; do not use hoses for this purpose.
 1. Provide an adequate number of receptacles for collecting solids.
 2. Empty receptacles frequently to prevent odor and insect problems.
- o Inventory all cleaning equipment (hoses, etc.) provided in the plant.
 1. Determine the number and types of units provided.
 2. Evaluate their frequency of operation.
 3. Use more water-efficient equipment where possible.
- o Inventory all cleaning chemicals used in the facility to determine:
 1. If they are being used correctly.
 2. Their water-use efficiency.

Future Considerations

- o Review the information developed during the survey.
 1. Identify the major water-using operations.
 2. Review the water reuse practices currently employed.
- o Develop plans to improve reuse.
 1. Evaluate the feasibility of installing cooling towers.
 2. Study the potential for screening and disinfecting reclaimed water to increase the number of times it can be reused.
- o Use conveying systems that use water efficiently.
 1. Handle waste materials in a dry mode when possible.
- o Replace high-volume hoses with high-pressure, low-volume cleaning systems.
- o As equipment wears out, replace with water-saving models.

Exterior Areas

- o Wash autos, buses and trucks less often.
- o Discontinue using water to clean sidewalks, driveways, loading docks, and parking lots. Considering using mobile sweepers.
- o Avoid landscape fertilizing and pruning that stimulates excessive growth. Remove plants that are not healthy so that other plants can benefit from the water saved.
- o In many cases older, established plants require only infrequent irrigation. Look for indications of water need such as wilt, change of color, or dry solids.
- o Limit landscaping additions and alterations. In the future, design for landscaping that require less water.
- o Install soil moisture overrides or timers on sprinkler systems. Time waterings, when possible, to occur in the morning when wind and evaporation are lowest. Irrigation equipment should apply water uniformly.
- o Investigate the advantages of installing drip irrigation systems.
- o Mulch around plants to reduce evaporation and discourage weeds.
- o Remove thatch and aerate turf to encourage the movement of water to the root zone.
- o Begin a flexible watering schedule, watering only when needed and not on windy or rainy days.
- o Avoid runoff, and make sure sprinklers cover just the lawn or garden, not sidewalks, driveways or gutters.

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SECRETARY OF THE COMMISSION

This bulletin provides water conservation efforts which have been successfully implemented by industrial and commercial users. Conservation efforts must comply with Federal, State and local government regulations.

For Additional Information Contact the Kentucky Division of Water at (502) 564-3440,
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SECRETARY OF THE COMMISSION



WATER CONSERVATION FOR RESTAURANTS

Some of the following suggestions can be incorporated into normal restaurant operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

General Suggestions

- o Increase employee awareness of water conservation. Brochures explaining how to conserve water at home are available from the Division of Water.
- o Conduct contests (e.g., posters, slogans or conservation ideas) and locate suggestion boxes in prominent areas.
- o Install signs that encourage water conservation in employee and customer restrooms.
- o As appliances or fixtures wear out, replace with water-saving models.
- o Reduce the load on air conditioning units by shutting air conditioning off when and where it is not needed.
- o When cleaning with water is necessary, use budgeted amounts.
- o Provide table signs urging water conservation.
- o Read water meter daily to monitor the success of water conservation efforts.

Kitchen Area

- o Turn off the continuous flow used to clean the drain trays of the coffee/milk/soda beverage island; clean the trays only as needed.
- o Turn dishwashers off when dishes are not being processed. Wash full loads only. Replace spray heads to reduce water flow.
- o Recycle rinse water from the dishwasher or recirculate it to the garbage disposer.
- o Rinse utensils and dishes in ponded water.
- o Thaw foods in ponded water rather than running water.
- o Wash vegetables in ponded water, do not let water run in prep sink.
- o Minimize use of ice machines and adjust them to dispense less ice.
- o Use water from the steam table in place of fresh water to wash down the cook's area.

Bar

- o Do not use running water to melt ice in the sink strainers.

Building Maintenance

- o Minimize the water used in cooling equipment, such as air compressors, in accordance with the manufacturer's recommendations.
- o Maintain insulation on hot water pipes.
- o Check water supply system for leaks, and turn off any unnecessary flows.
- o Repair dripping faucets, showers, and continuously running toilets.
- o Avoid excessive boiler and air conditioner blowdown. Monitor total dissolved solids levels, and blowdown only when needed.
- o Reduce the water used in toilet flushing by either adjusting the vacuum flush mechanism or installing toilet tank displacement devices (dams, bottles or bags).
- o Switch from wet or "steam" carpet cleaning methods to dry powder methods.
- o Instruct clean-up crews to use less water for mopping.
- o Change window cleaning schedule from periodic to an on-call, as required, basis.
- o Install flow reducers and faucet aerators in all plumbing fixtures.

Exterior Areas

- o Wash autos, buses, and trucks less often.
- o Avoid plant fertilizing and pruning that stimulates growth. Remove plants which are not healthy so that other plants can benefit from the water saved.
- o In many cases, older, established plants require only infrequent irrigation. Look for indications of water need such as wilt, change of color, or dry soils.
- o Limit landscaping additions and alterations. In the future, design for landscapes which require less water.
- o Install soil moisture overrides or timers on sprinkler systems. Time waterings, when possible, to occur in the morning when wind and evaporation are lowest. Irrigation equipment should apply water uniformly.
- o Investigate the advantages of installing drip irrigation systems.
- o Mulch around plants to reduce evaporation and discourage weeds.
- o Remove thatch and aerate turf to encourage the movement of water to the root zone.
- o Begin a flexible watering schedule, watering only when needed and not on windy or rainy days.
- o Avoid runoff, and make sure sprinklers cover just the lawn or garden, not sidewalks, driveways, or gutters.

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WATER CONSERVATION FOR HOTELS

Some of the following suggestions can be incorporated into normal restaurant operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

General Suggestions

- o Increase employee and visitor awareness of water conservation. Brochures explaining how to conserve water at home are available from the Division of Water.
- o Read water meter daily to monitor the success of water conservation efforts.
- o Conduct contests for employees (e.g., posters, slogans or conservation ideas); locate suggestion boxes in prominent areas.
- o Install signs that encourage water conservation in employee and customer restrooms-leaflets suitable for display or distribution are available from the Division of Water.
- o As appliances or fixtures wear out, replace with water saving models.
- o When cleaning with water is necessary, use budgeted amounts.

Building Maintenance

- o Minimize the water used in cooling equipment, such as air compressors, in accordance with the manufacturer's recommendations.
- o Reduce the load on air conditioning units by shutting air conditioning off when and where it is not needed.
- o Maintain insulation on hot water pipes.
- o Check water supply system for leaks, and turn off any unnecessary flows.
- o Repair dripping faucets, showers, and continuously running toilets.
- o Avoid excessive boiler and air conditioner blowdown. Monitor total dissolved solids levels, and blowdown only when needed.
- o Reduce the water used in toilet flushing by either adjusting the vacuum flush mechanism or installing toilet tank displacement devices (dams, bottles or bags).
- o Instruct clean-up crews to use less water for mopping.
- o Switch from wet or "steam" carpet cleaning methods to dry power methods.
- o Change window cleaning schedule from periodic to an on-call, as required basis.
- o Install flow reducers and faucet aerators in all plumbing fixtures.

Kitchen Area

- o Turn off the continuous flow used to clean the drain trays of the coffee/milk/soda beverage island; clean the trays only as needed.
- o Turn dishwasher off when dishes are not being processed. Wash full loads only. Replace spray heads to reduce water flows.
- o Recycle rinse water from the dishwasher or recirculate it to the garbage disposer.
- o Presoak utensils and dishes in ponded water instead of using a running water rinse.
- o Thaw food in ponded water rather than running water.
- o Wash vegetables in ponded water, do not let water run in prep sink.
- o Minimize use of ice machines and adjust them to dispense less ice.
- o Use water from the steam table in place of fresh water to wash down the cook's area.

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Bar

- o Do not use running water to melt ice in the sink strainers.

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Pool

- o Lower pool water level to reduce amount of water splashed out.
- o Reduce amount of water used to backflush pool filters.
- o Use a pool cover to reduce evaporation when pool is not being used.

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Laundry

- o Water conservation ideas for laundries can be obtained from the Division of Water.

Exterior Areas

- o Wash autos, buses and trucks less often.
- o Avoid plant fertilizing and pruning which would stimulate excessive growth.
- o Remove unhealthy plants so that remaining plants can benefit from the water saved.
- o In many cases, older, established plants require only infrequent irrigation. Look for indications of water need such as wilt, change of color, or dry soils.
- o Limit landscaping additions and alterations. In the future, design landscapes which require less water.
- o Install soil moisture overrides or timers on sprinkler systems. Time waterings, when possible, to occur at night or in the morning when wind and evaporation are lowest. Irrigation equipment should apply water uniformly.
- o Investigate the advantages of installing drip irrigation systems.
- o Mulch around plants to reduce evaporation and discourage weeds.
- o Remove thatch and aerate turf to encourage the movement of water to the root zone.
- o Begin a flexible watering schedule, watering only when needed and not on windy or rainy days.
- o Avoid runoff, and make sure sprinklers cover just the lawn or garden, not sidewalks, driveways or gutters.

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Natural Resources and
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WATER CONSERVATION FOR COMMERCIAL BUILDINGS

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BY: Stephen O. Bell
SECRETARY OF THE COMMISSION

Some of the following suggestions can be incorporated into normal restaurant operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

General Suggestions

- o Increase employees' and/or occupants' awareness of water conservation - Brochures explaining how to conserve are available from the Division of Water.
- o Conduct contests (e.g., posters, slogans or conservation ideas) and locate suggestion boxes in prominent areas.
- o Install signs that encourage water conservation in restrooms.
- o Use paper cups for drinking water instead of free flowing drinking fountains.
- o As appliances or fixtures wear out, replace with water-saving models.
- o Recover condensate from air conditioners, refrigerators, freezers, and ice machines; use it as make-up water.
- o Reduce the load on air conditioning units by shutting air conditioning off when and where it is not needed.
- o Install flow reducers and faucet aerators on all sinks.
- o Read water meter daily to monitor the success of water conservation efforts.

Building Maintenance

- o Shut off the water supply to equipment and rooms which are unused. Discontinue water circulation pumping in unoccupied areas.
- o Shut off sprayed coil units except where humidity in critical areas cannot be maintained by other means or where the units are used to reduce chiller operation.
- o Minimize the water used in cooling equipment such as air compressors in accordance with the manufacturer's recommendations.
- o Maintain insulation on hot water pipes.
- o Check water supply system for leaks, and turn off any unnecessary flows.
- o Repair leaking faucets, showers and toilets.
- o Avoid excessive boiler and air conditioner blowdown. Monitor total dissolved solids levels and blowdown only when needed.
- o Reduce the water used in toilet flushing by either adjusting the vacuum flush mechanisms or installing toilet tank displacement devices (dams, bottles or bags).
- o Switch from wet or "steam" carpet cleaning methods to dry powder methods.
- o Instruct clean-up crews to use less water for mopping.
- o Change window cleaning schedule from periodic to an on-call, as required, basis.

Cafeteria and Food Service

- o Provide table signs in cafeteria urging water conservation.
- o Turn off the continuous flow used to clean the drain trays of the coffee/milk/soda beverage island, and instruct personnel to thoroughly clean only as needed.
- o Turn dishwashers off when dishes are not being processed and wash full loads only.
- o Recycle the rinse water from the dishwasher.
- o Thaw foods in ponded water rather than running water.

- o Wash vegetables in ponded water, do not let water run in prep sink.
- o Minimize use of ice machines and adjust them to dispense less ice.

Exterior Areas

- o Wash autos, buses and trucks less often.
- o Discontinue cleaning sidewalks, driveways, loading docks and parking lots with water.
- o Avoid plant fertilizing and pruning that stimulates growth. Remove plants which are not healthy so that other plants can benefit from the water saved.
- o In many cases, older, established plants require only infrequent irrigation. Look for indications of water need such as wilt, change of color, or dry soils.
- o Limit landscaping additions and alterations. In the future, design for landscapes that require less water.
- o Install soil moisture overrides or timers on sprinkler systems. Time waterings, when possible, to occur in the morning when wind and evaporation are lowest. Irrigation equipment should apply water uniformly.
- o Investigate the advantages of installing drip irrigation systems.
- o Mulch around plants to reduce evaporation and discourage weeds.
- o Remove thatch and aerate turf in early spring to encourage the movement of water to the root zone. After March, thatch removal may encourage evaporation from the soil.
- o Begin flexible watering schedule watering only when needed, and not on windy or rainy days.
- o Avoid runoff, and make sure sprinklers cover just the lawn or garden, not sidewalks, driveways, or gutters.

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WATER CONSERVATION FOR FOOD PROCESSING INDUSTRY

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

SECRETARY OF THE COMMISSION

Some of the following suggestions can be incorporated into normal food processing operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

Start a Water Conservation Program

- o Assign to an individual the responsibility for the water conservation program, giving him or her the necessary support and authority.
- o Make the plant manager and other employees aware of the water conservation coordinator's function.
- o Increase employee awareness of water conservation-brochures explaining how to conserve at home are available from the Division of Water.
 1. Explain the importance of individual action to the success of the conservation program.
 2. Conduct contests (e.g., posters, slogans or conservation ideas) and locate suggestion boxes in prominent areas.
 3. Use reminder posters and displays of water saving achievements.
- o Read water meter daily to monitor the success of water conservation efforts.

Survey the Plant

A plant survey helps to establish a facility's water savings potential by identifying areas where water is wasted, or where water could be reused.

- o Identify the major water lines:
 1. Indicate the quality of water carried by each.
 2. Determine the quantity of water each uses.
- o Identify all points where water is used, including hose connections; determine the quantity of water used at each point.
- o Determine the capacity of each water-containing unit (washers, flumes, etc.) and frequency of emptying.
- o Determine the quality of each continuous discharge that is not now being reused.
- o Determine flow rates in flood gutters and whether the flows are adequate to prevent solids accumulation.

Avoid Waste

- o Equip all hoses with spring loaded shutoff nozzles. Be sure these nozzles are not removed.
- o Instruct employees to use hoses sparingly and only when necessary.
- o Adjust overflows from recirculation systems (washers, flumes, etc.) by controlling the rate of makeup water.
 1. Install float-controlled valve on the makeup line.
 2. Close filling line during operation.
 3. Provide surge tanks for each system to avoid overflow.
- o Turn off all flows during shutdowns (unless flows are essential for cleanup).
 1. Use solenoid valves to stop the flow of water when production stops. The valves could be activated by tying them to drive motors.
- o Adjust flows in sprays and other lines to meet minimum requirements.

JUL 15 2001

Maximize Water Efficiency

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

- o Install high-pressure, low-volume nozzles on spray washers.
- o Use fogging nozzles to cool product.
- o Install in-line strainers on all spray headers; inspect nozzles regularly for clogging.
- o Establish optimum depth of product on conveyors to maximize wash water efficiency.
- o Determine whether discharges from any operation can be substituted for fresh water being supplied to an earlier operation.
 1. Divide the spray wash units into two or more sections and establish a countercurrent reuse system.
 2. Use reclaimed water for flushing floor gutters.

Evaluate Cleanup Procedures

- o Sweep and shovel solid materials from the floor; do not use hoses for this purpose.
 1. Provide an adequate number of receptacles for collecting solids.
 2. Empty the receptacles frequently to prevent odor and insect problems.
- o Inventory all cleaning equipment (hoses, etc.) provided in the plant.
 1. Determine the number of types of units provided.
 2. Evaluate their frequency of operation.
 3. Use more water-efficient equipment where possible.
- o Inventory all cleaning chemicals used in the facility to determine:
 1. If they are being used correctly.
 2. Their water-use efficiency.
- o Control belt sprays with a timer to allow for the intermittent application of chlorinated water.

Future Considerations

- o Review the information developed during the survey.
 1. Identify the major water-using operations.
 2. Review the water reuse practices currently employed.
- o Develop plans to improve reuse.
 1. Evaluate the feasibility of installing cooling towers.
 2. Study the potential for screening and disinfecting reclaimed water to increase the number of times it can be reused.
- o Use conveying systems that use water efficiently.
 1. Handle waste materials in a dry mode when possible.
 2. Use conveyor belts for product transport. Preference should be given to "rabbit-ear" or V-shaped roller supports since these are much easier to clean.
 3. Use pneumatic conveying systems where practicable.
 4. Use flumes with parabolic cross sections rather than flat-bottom troughs.
- o Consider replacing water-intensive units with alternatives:
 1. Rubber-disc units for raw product cleaning and peeling.
 2. Steam for water blanchers.
 3. Evaporative coolers for hydrocooling systems.
- o Replace high-volume hoses with high-pressure, low-volume cleaning systems.

Exterior Areas

- o Wash autos, buses and trucks less often.
- o Discontinue using water to clean sidewalks, driveways, loading docks, and parking lots. Consider using mobile sweepers.
- o Avoid landscape fertilizing and pruning that stimulates excessive growth. Remove plants which are not healthy so that other plants can benefit from the water saved.
- o In many cases older, established plants require only infrequent irrigation. Look for indications of water need such as wilt, change of color, or dry soils.
- o Limit landscaping additions or alterations. In the future, design for landscapes that require less water.
- o Install soil moisture overrides or timers on sprinkler systems. Time waterings, when possible, to occur in the morning when wind and evaporation are lowest. Irrigation equipment should apply water uniformly.
- o Investigate the advantages of installing drip irrigation systems.
- o Mulch around plants to reduce evaporation and discourage weeds.
- o Remove thatch and aerate turf to encourage the movement of water to the root zone.
- o Begin a flexible watering schedule, watering only when needed and not on windy or rainy days.
- o Avoid runoff, and make sure sprinklers cover just the lawn or garden, not sidewalks, driveways or gutters.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

This bulletin provides was conservation efforts which have been successfully implemented by industrial and commercial users. Conservation efforts must be consistent with federal, state and local regulations. Water conservation must not have a detrimental effect on any product or endanger public health.

For Additional Information Contact the Kentucky Division of Water at (502) 564-3410,
18 Reilly Road, Frankfort Office Park, Frankfort, Kentucky 40601

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JUL 15 2001



WATER CONSERVATION FOR HEALTH CARE FACILITIES SECTION 9 (1)

PURSUANT TO 807 KAR 5.011,

BY: Stephan Bui
SECRETARY OF THE COMMISSION

Some of the following suggestions can be incorporated into normal facility operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

General Suggestions

- o Increase employee awareness of water conservation. Brochures explaining how to conserve water are available from the Division of Water.
- o Conduct contests (e.g., posters, slogans or conservation ideas) and locate suggestion boxes in prominent areas.
- o Install signs that encourage water conservation in patient and non-patient restrooms.
- o Read water meters daily to monitor the success of water conservation efforts.
- o Use paper cups for drinking water instead of free flowing drinking fountains.
- o Water required for film processing and single-pass cooling in the x-ray department should be turned off when not in use and recycled if possible.
- o Recycle water where feasible, consistent with State Department of Health requirements.
- o Use full loads of sanitizers, sterilizers, dishwashers, and washing machines consistent with infection control requirements.
- o As appliances or fixtures wear out, replace with water-saving models.
- o Recover condensate from air conditions, refrigerators, freezers and ice machines; use it as make-up water.
- o Reduce the load on air conditioning units by shutting air conditioning off when and where it is not needed.

Building Maintenance

- o Shut off the water supply to equipment, and rooms and spaces which are unused. Discontinue water circulation pumping in unoccupied areas.
- o Insure return of steam condensate to the feed water tank for reuse.
- o Shut off sprayed coil units except where humidity in critical areas cannot be maintained by other means or where the units are used to reduce chiller operation.

Health Care Facilities

- o Minimize the water use of cooling equipment such as air compressors in accordance with the manufacturer's recommendations.
- o Maintain insulation on hot water pipes.
- o Check water supply system for leaks, and turn off any unnecessary flows.
- o Install flow reducers and faucet aerators in all plumbing fixtures.
- o Repair leaking faucets, showers and toilets.
- o Avoid excessive boiler and air conditioner blowdown. Monitor total dissolved solids levels, and blowdown only when needed.
- o Reduce the water used in toilet flushing by either adjusting the vacuum flush mechanism or installing toilet tank displacement devices (dams, bottles, or bags).
- o Overhaul faulty steam traps on sterilizers.

Cafeteria and Food Service

- o Provide table signs in cafeteria urging water conservation.
- o Turn off the continuous flow used to wash the drain trays of the coffee/milk/soda beverage island, and instruct personnel to thoroughly clean only as needed.
- o Turn dishwashers off when dishes are not being processed and wash full loads only.
- o Recycle the rinse water from the dishwasher.
- o Thaw foods in ponded water rather than running water.
- o Wash vegetables in ponded water, do not let water run in prep sink.
- o Minimize use of ice machines and adjust them to dispense less ice.

Exterior Areas

- o Wash autos, buses, trucks and ambulances less often.
- o Discontinue cleaning sidewalks, driveways, loading docks and parking lots with water.
- o Avoid plant fertilizing and pruning that stimulates growth. Remove plants which are not healthy so that other plants can benefit from the water saved.
- o In many cases, older, established plants require only infrequent irrigation. Look for indications of water need such as wilt, change of color, or dry soils.
- o Limit landscaping additions and alterations. In the future, design for landscapes that require less water.
- o Install soil moisture overrides or timers on sprinkler systems. Time waterings when possible to occur in the morning when wind and evaporation are lowest. Irrigation equipment should apply water uniformly.
- o Investigate the advantages of installing drip irrigation systems.
- o Mulch around plants to reduce evaporation and discourage weeds.
- o Remove thatch and aerate turf to encourage the movement of water to the root area.
- o Begin flexible watering schedule, watering only when needed and not on windy or rainy days.
- o Avoid runoff, and make sure sprinklers cover just the lawn or garden, not sidewalks, driveways, or gutters.

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JUL 15 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

This bulletin provides water conservation efforts which have been successfully implemented by industrial and commercial users.

For Additional Information Contact the Kentucky Division of Water (502) 564-3410,
18 Reilly Road, Frankfort, Kentucky 40601

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WATER CONSERVATION FOR LAUNDRIES AND LINEN SUPPLIERS

Some of the following suggestions can be incorporated into normal laundries operations. Others are appropriate when water supplies are stressed from natural, technological or other human causes.

General Suggestions

- o Increase employee and customer awareness of water conservation. Brochures explaining how to conserve water at home are available from the Division of Water.
- o Conduct contests (e.g., posters, slogans or conservation ideas) and locate suggestion boxes in prominent areas.
- o Use reminder posters and displays of water saving achievements.
- o Install signs that encourage water conservation in employee and customer restrooms.
- o As appliances and fixtures wear out, replace with water-saving models.
- o Reprogram machines to eliminate a rinse or suds cycle.
- o Read water meter daily to monitor the success of water conservation efforts.

Maintenance

- o Maintain insulation on hot water pipes.
- o Check water system for leaks, and turn off any unnecessary flows.
- o Repair dripping faucets, leaking valves, and continuously running toilets.
- o Avoid excessive boiler blowdown. Monitor total dissolved solids levels, and blowdown only when needed.
- o Avoid excessive filter or softener backflush. Backflush only when needed.
- o Install flow reducers and faucet aerators in all plumbing fixtures.
- o Reduce the water used in toilet flushing by either adjusting the vacuum flush mechanism or installing toilet tank displacement devices (dams, bottles or bags).

Operational Suggestions

- o Wash full loads only.
- o Reduce water levels to minimum required per load.
- o Evaluate wash formula and machine cycles for water use efficiency.

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Exterior Areas

- o Wash autos, buses and trucks less often.
- o Discontinue using water to clean sidewalks, driveways, loading docks, and parking lots.

JUL 15 2001

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SECTION 9 (1)
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

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*For Additional Information Contact the Kentucky Division of Water at (502) 564-3410,
18 Reilly Road, Frankfort Office Park, Frankfort, Kentucky 40601*

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

APPENDIX G

PERMIT TO WITHDRAW PUBLIC WATER #0200

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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JUL 15 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D Bell
SECRETARY OF THE COMMISSION

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BY: Stephan D Bell
SECRETARY OF THE COMMISSION



COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601

September 17, 1999

Linda C. Bridwell
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

Re: Water Withdrawal Permit #0200

Dear Ms. Bridwell,

Thank you for your application to revise the Kentucky-American Water Company water withdrawal permit. This letter accompanies permit #0200, which has been revised to reflect a new water withdrawal schedule and the requested increase in withdrawal rates.

Please note that there are limitations to this permit. In order to protect both natural flow conditions and previously permitted downstream users, withdrawals must be limited during low flow months. Under the terms of this permit, Kentucky-American is required to reduce withdrawals when the flow at Lock 10 falls below 140 cubic feet per second for four consecutive days. The United States Geological Survey monitors the flow at Lock 10 through gaging station #03284000. Flow data from this gage can be obtained at http://130.11.24.1/rt-cgi/gen_tbl_pg, the address for USGS Kentucky Current Streamflow Conditions.

In addition, please be aware that pumpage to the Kentucky River Station water treatment plant shall not exceed its rated capacity of 40 MGD.

KRS 151.160 requires all permit holders to record all water withdrawn and to submit this information to the Division of Water in a manner prescribed by this Department. At this time, we send special reporting forms to permit holders in June and December of each year. According to the application, you are the person who has the responsibility of completing these forms. Therefore, you should continue to record withdrawals on these forms and return them to this office. Withdrawal amounts reported must be accurately measured by meter or other device as approved by the Cabinet. Additionally, as stated on the permit, you are required to report gage and water withdrawal data to the Division of Water when flows at Lock 10 are below 140 cfs.

If average monthly withdrawal amounts begin to exceed permitted amounts, or if there is any change in the location of the withdrawal site, you must contact this office immediately and request a revision to this permit.

The issuance of this permit does not release you from the obligation of obtaining any other permits that may be required by this Division or other regulatory agencies.

If you have any questions, please contact Bill Caldwell at (502) 564-3410.

Sincerely,

A. Leon Smothers, Manager
Water Resources Branch
Division of Water

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 15 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

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c: Frankfort Regional Office
Kentucky River Authority
Enclosure



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COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
FRANKFORT, KENTUCKY 40601

PERMIT TO WITHDRAW PUBLIC WATER

Permit Number: # 0200

Issued to: **Kentucky-American Water Company
2300 Richmond Road
Lexington, Kentucky 40502**

The Natural Resources and Environmental Protection Cabinet authorizes the above named party to withdraw Public Water of the Commonwealth of Kentucky. This permit has been issued under provisions of KRS Chapter 151.125, 151.140 and 151.150 and regulations promulgated with respect to the withdrawal of public waters. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet, or other state, federal or local agencies. Withdrawals are restricted to the stated quantities, times and locations specified below. This permit represents a limited right of use and does not vest ownership nor absolute right to withdrawal or use of Public Water, nor does it guarantee that requested amounts will be available for use at all times. In times of drought or emergency, the Cabinet may temporarily alter the conditions of the permit. Any violation of the Water Resources Act of 1966 as amended is subject to penalties as set forth in KRS 151.990 and other applicable provisions of law.

The location of the authorized water withdrawal is as follows:

A surface water intake located at river mile 167.3 (pool 9) of the Kentucky River; latitude 37°54'07" North, longitude 84°22'39" West, Fayette County.

Water withdrawals are limited to the following rates from the specified location:

Jan. 60.0 MGD	April 60.0 MGD	July 63.0 MGD	Oct. 63.0 MGD
Feb. 60.0 MGD	May 63.0 MGD	Aug. 63.0 MGD	Nov. 60.0 MGD
March 60.0 MGD	June 63.0 MGD	Sept. 63.0 MGD	Dec. 60.0 MGD

Conditions to this permit are as follows:

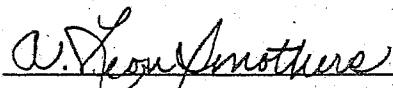
1. Withdrawal rates must be accurately measured by meter or other device approved by the Cabinet.
2. This permit is subject to revision if data collected pursuant to permit condition No. 6 indicate that withdrawals negatively impact the quantity and quality of water below the intake.

For additional conditions see attached sheets

Issued: July 19, 1966

Latest Revision: September 17, 1999

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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Manager, Water Resources Branch
Division of Water

JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

3. When flows measured at Lock 10 are 140 cfs or less for four (4) consecutive days, Kentucky-American's withdrawals shall conform to the following schedule:

<u>Lock 10 Flow</u>	<u>Allowable Withdrawals Under This Permit</u>
> 140.00 cfs	Full Permitted Amount*
139.99 - 120.00 cfs	58.0 MGD
119.99 - 90.00 cfs	54.0 MGD
89.99 - 60.00 cfs	50.0 MGD
59.99 - 30.00 cfs	48.0 MGD
29.99 - 0.00 cfs	45.0 MGD
Drought Phase 2	45.0 MGD
Drought Phase 3	42.0 MGD
Drought Phase 4	40.0 MGD
Drought Phase 5	35.0 MGD
Drought Phase 6	30.0 MGD

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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JUL 15 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan O. Bess
SECRETARY OF THE COMMISSION

- 3.1 The full permitted amount is 60.0 MGD for the months November through April and 63.0 MGD for the months May through October.
- 3.2 Drought phase 2 shall exist between the time that Trigger 2 is met but before Trigger 3 is declared. Drought phase 3 shall exist between the time that Trigger 3 is met but before Trigger 4 is declared, and so on.

The revised Flow Schedule shall remain in effect under the condition that the valves and the valve operating plan are maintained by the Kentucky River Authority or some other entity approved by the Division of Water. If maintenance of the valves and valve operating plan is discontinued for any reason, the flow schedule will revert to that incorporated in permit # 0200 as issued on December 14, 1992.

4. Pursuant to Lexington-Fayette County Urban County Government Ordinance 135-88 Section 11-9 (e), Kentucky-American shall prepare administrative regulations governing water usage and submit these to the Division of Water for approval by November 15, 1999.
5. Kentucky-American shall obtain continuous gaging information for flows at the United States Geological Survey gage at Lock 10. Gage and water withdrawal data shall be reported to the Division of Water daily, Monday through Friday, when flows are below 140 cfs. The Division may specify reasonable reporting intervals, no more frequently than hourly, as flows decrease. Compliance with the permit will be based on a running four day average of withdrawals and not the monthly average withdrawal.
6. Whenever streamflow drops below 120 cfs for four consecutive days at Lock 10, Kentucky-American shall collect dissolved oxygen, temperature, pH and specific conductance samples at the locations noted below. Sampling shall continue each week thereafter until flows return to rates greater than 120 cfs, except it shall be continued as long as the valve operating plan is in effect. Measurements at locations (a), (b), and (c) shall be made three times per week on Monday, Wednesday, and Friday mornings. Measurements at location (d) shall be made one time per week except during the months of June, July, and August and whenever the ambient air temperature is at or above 90° F. Data must be collected at four locations across the river at each site, with measurements taken at the surface, mid-depth, and bottom. These values must be reported at each point.
- (a) About 0.25 miles above the current Kentucky-American intake
 - (b) Just above lock 9
 - (c) In the vicinity of river mile 156 in the upper end of pool 8
 - (d) In the lower third of pool 8
7. The pumpage to the Water Treatment Plant shall not exceed the plant's rated capacity.
8. Kentucky-American shall draft a revised Demand Management Plan to conform to the limits of this permit.

9. Kentucky-American shall not, the Natural Resources and Environment Protection Cabinet and the Kentucky River Authority as each Management Phase is declared in the Demand Management Plan adopted above, beginning with the Advisory Phase.
10. Kentucky-American Water Company and the Division of Water recognize that all permitted water withdrawers are equals without seniority, priority, or privilege given to any permit holder along the Kentucky River.
11. Kentucky-American Water Company recognizes its role as the largest water purveyor in demonstrating leadership in protecting the Kentucky River as source of supply of the Central Kentucky Region.

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OF KENTUCKY
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JUL 15 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION



COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601
April 27, 2001

Ms. Linda C. Bridwell
Director of Engineering
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

Re: Temporary modification to water withdrawal permit #0200

Dear Ms. Bridwell:

As you know the Kentucky Division of Water has recently done hydrologic modeling to simulate the impact of severe drought on water availability in the Kentucky River. This letter serves as notification of temporary changes to your allowable withdrawals that are based on the results of these efforts should a severe drought recur in 2001. This amends permit #0200 until December 31, 2001 with temporary changes to your flow reduction schedule as shown in the table below:

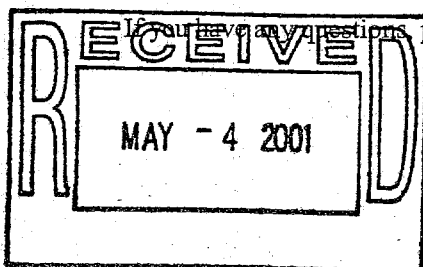
Adjustments to Allowable Withdrawals under the Valve Operating Plan for 2001.*

Drought Phase	Kentucky River Conditions	Allowable Withdrawals*** (MGD)
Normal Operation	Flow above 7Q10**	Full Permitted Amount***
Phase 1	Flow at 7Q10 or below	58
Phase 2	Water Level in Pools at or below crest	55
Phase 3	Water Level in Pools 1 foot below crest	50
Phase 4	Water Level in Pools 2 feet below crest	45
Phase 5	Water Level in Pools 3 feet below crest	40
Phase 6	Water Level in Pools 4 feet below crest	35

* Allowable withdrawals are based on an assumed recurrence of the drought of 1953.
** The 7Q10 at Lock 10 is 120 cubic feet per second.
*** The full permitted amount as stated for each month on the face of permit # 0200

These modifications have assumed baseline drought conditions equal in severity to the drought of 1953. Please be aware that the Division of Water may need to adjust or suspend these modifications if conditions in the basin deteriorate below those of 1953.

If you have any questions, please contact Bill Caldwell at (502) 564-3410.



Sincerely,

A. Leon Smothers, Manager
Water Resources Branch
Division of Water

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ALS:BC

c: Frankfort Regional Office
Kentucky River Authority
Bluegrass Area Development District



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PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan O. Burr
SECRETARY OF THE COMMISSION

APPENDIX H

EMERGENCY PRICING TARIFF

PUBLIC SERVICE COMMISSION
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JUL 15 2001

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SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

The Emergency Pricing Tariff is currently in development.

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SECTION 9 (1)

BY: Stephan O. Burr
SECRETARY OF THE COMMISSION